

**Vinamilk**<sup>®</sup>  
EST 1976

# 50 YEARS FROM VISION TO IMPACT

SUSTAINABLE DEVELOPMENT REPORT 2025



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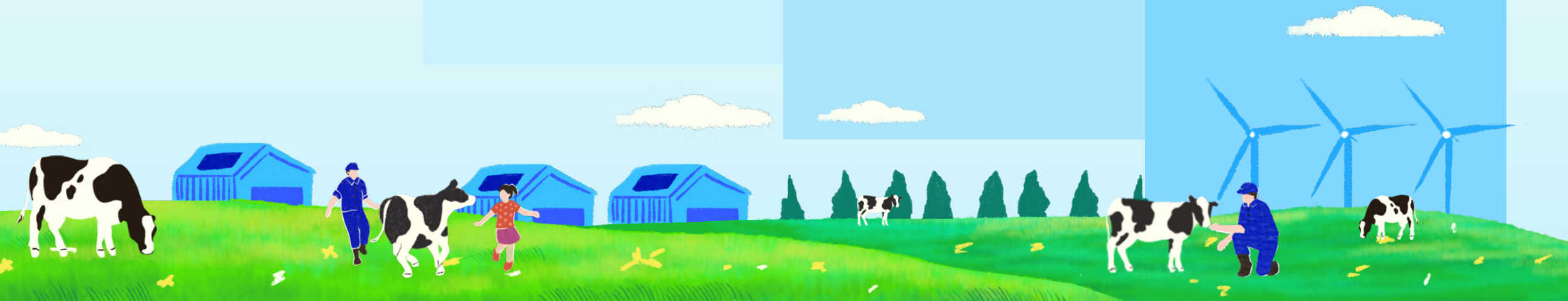
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# The Board's Message

## Dear Shareholders, Investors, and Stakeholders,

In 2025, Vinamilk moves closer to the milestone of 50 years of establishment and development. This marks an important moment to assess the Company's readiness for its next phase of growth, in a context where standards of governance, transparency, and sustainable development are being continuously elevated. The role of the Board of Directors is therefore defined by higher expectations for strategic direction and oversight, in response to the increasingly clear demands of shareholders, investors, and society regarding corporate responsibility.

Against this backdrop, the theme of the 2025 Sustainable Development Report, **"50 Years: From Vision to Impact"**, not only reflects the foundations built over the past journey, but also emphasizes a fundamental governance principle: the Board of Directors approaches its role with the objective of ensuring that Vinamilk's development is driven by internal capabilities, disciplined governance, a spirit of innovation, and a long-term commitment to sustainable values.

In an increasingly fast-changing and complex business environment, expectations of enterprises today are no longer limited to growth efficiency or market competitiveness. Companies are also assessed on their risk management capabilities, resilience to disruptions, level of transparency, and approach to environmental and social issues. The Board of Directors of Vinamilk clearly recognizes that these shifts are not temporary, but rather reflect rising expectations from the market, investors, and society regarding corporate responsibility. Accordingly, we define ESG not merely as a reporting framework, but as a measure of growth quality, maturity of responsibility, and Vinamilk's long-term adaptive capacity in a world of growing uncertainty.

## ESG Governance – Commitment at the highest level

From a governance perspective, the Board of Directors continues to refine Vinamilk's governance model toward greater modernity, transparency, and accountability, with reference to both domestic and international best practices. For Vinamilk, governance is not simply a control mechanism or a compliance requirement, but a foundation for safeguarding market trust, protecting shareholder interests, and steering sustainable growth. Over the years, the Company has consistently disclosed sustainability information in accordance with GRI Standards, while progressively enhancing report quality, strengthening measurement and assurance capabilities, and aligning with international frameworks related to climate, nature, and sustainable development. Transparency discipline, accountability, and integrity in governance have been identified as core principles and continue to be reinforced, guiding how Vinamilk upgrades its operations and makes strategic decisions.

## Environment – A commitment without compromise

The Board of Directors affirms that growth in the next phase must be grounded in long-term environmental and social responsibility. The commitment to achieving Net Zero by 2050, together with the decarbonization roadmap "Vinamilk Pathways to Dairy Net Zero 2050" - developed in line with SBTi guidance and aligned with Viet Nam's commitment at COP26 - reflects our consistent position: sustainable business growth is only possible when development progresses in parallel with responsibility toward the environment, communities, and future generations. For Vinamilk, environmental protection and restoration are not separate from business strategy, but are integral to risk management capabilities, resource allocation decisions, and the long-term value preservation mindset of the enterprise.

## Social – Creating value through nutrition and responsibility

From a social perspective, we believe that a company's resilience is measured not only by financial indicators, but also by the value it creates across its entire value chain. As a company closely connected to nutrition, health, and the lives of millions of families, Vinamilk clearly understands that social responsibility does not lie

in symbolic statements, but in the persistent creation of positive, practical, and meaningful value. Guided by this conviction, the Company remains committed to a development approach that harmonizes business effectiveness with humanistic values, balances market leadership with responsibility, and contributes to building a better future for communities.

The 50-year milestone places a clear responsibility on the Board of Directors - not only to preserve the values already built, but to continue raising standards for the next stage of development. In a world where expectations regarding transparency, emissions, responsible supply chains, and governance capabilities continue to rise, we believe that only companies with sufficiently robust, deep, and consistent governance foundations can advance sustainably on their own inherent strengths. The role of the Board of Directors, therefore, goes beyond approving targets; it helps ensure that Vinamilk remains steadfast in responsible and transparent development, continuously enhances measurement and assurance capabilities, and ensures that every strategic decision made today contributes to sustainable value creation for tomorrow.

On behalf of the Board of Directors, I would like to express our sincere appreciation to our Shareholders, Investors, Partners, and Stakeholders for your continued trust, support, and expectations throughout Vinamilk's development journey. That trust reminds us that sustainable development is not merely an option, but a path that Vinamilk must pursue with responsibility, consistency, and long-term commitment. The Board of Directors will continue, together with the Executive Management, to lead Vinamilk forward on a governance foundation that is continuously strengthened - robust, consistent, innovative, and guided by a spirit of service for lasting value for shareholders, communities, and future generations.

## On behalf of the Board



Nguyen Hanh Phuc

Chairman of the Board of Directors

# CEO's Message



operated factory, every better-managed farm; in how we use energy, water, and raw materials; in our responsibility to communities; and in the trust consumers place in our brand. For Vinamilk, sustainability only becomes truly meaningful when it is increasingly embedded into governance and operations, forming clear execution standards that are measured, assessed, and continuously improved.

Amid continued market volatility, Vinamilk recorded positive results in 2025, with net revenue reaching a record VND 63,646 billion and profit after tax amounting to VND 9,414 billion. Export revenue reached an all-time high of VND 6,546 billion, representing a 16.5% increase, with Vinamilk products present in 65 countries and territories. For us, the significance of these results lies not only in scale or growth rate, but in Vinamilk's continued discipline in development orientation - remaining steadfast in our principle of not trading long-term responsibility for short-term results, and not separating growth objectives from product quality standards, governance transparency, and environmental and social responsibility. This discipline is the foundation for Vinamilk's stable and sustainable long-term growth.

Over the past year, Vinamilk has continued to invest in governance, operational standardization, and technology to progressively embed sustainability objectives more deeply into our operations.

From an Environmental perspective, we remain committed to achieving Net Zero by 2050 under the Vinamilk Pathways to Dairy Net Zero 2050, through the implementation of greenhouse gas inventories aligned with international standards across all three emission scopes, the standardization of data systems, and strengthened independent assurance. To date, two Vinamilk factories have achieved carbon neutrality. We continue to expand circular economy initiatives across the system, manage energy and environmental performance in accordance with ISO 50001 and ISO 14001, and systematically review and reduce emissions in production and logistics operations. In parallel, long-term environmental value-creating activities such as tree planting, mangrove restoration, and the enhancement of sustainable agricultural practices continue to be implemented. In 2025, Vinamilk completed the registration of its emission reduction targets with the Science Based Targets initiative (SBTi), thereby establishing a clear, science-based decarbonization pathway aligned

with international benchmarks. For us, Net Zero neither begins nor ends with a declaration. It is a disciplined implementation journey, increasingly strengthened by data, independently verified, and pursued with persistence at every step.

From a Social perspective, Vinamilk continues to pursue social responsibility in a substantive and consistent manner. Over the past year, nearly 80 community initiatives were implemented, with more than 3 million nutritional products donated. Under the Raising Vietnam Milk Fund program alone, 500,000 milk cartons were provided to over 11,000 underprivileged children. In addition, Vinamilk has sustained numerous initiatives focused on nutrition, child care, community support, national events, and standing alongside society during challenging times and natural disasters. For us, the value of social responsibility initiatives lies not in their quantity or scale, but in ensuring that support reaches the right beneficiaries, meets real needs, and creates positive change - even through small but meaningful and sustainable steps.

I firmly believe that the greatest challenge facing businesses today is not growth itself, but how that growth is achieved. For Vinamilk, development must always go hand in hand with product quality, resource efficiency, social responsibility, and consumer trust. Our aspiration is not only to maintain our leading position, but also to ensure that Vinamilk continues to be worthy of the trust placed in us.

On behalf of the Executive Management, I would like to sincerely thank our Shareholders, Customers, Partners, and all employees for your continued support and companionship. This trust reminds us that sustainability is not something to be communicated, but a commitment that must be implemented with discipline, responsibility, and continuously elevated standards. This is how Vinamilk has grown - and how we will continue to grow - for society and for the long term future.



**Mai Kieu Lien**  
Chief Executive Officer

## Dear Shareholders, Customers, Partners and Stakeholders,

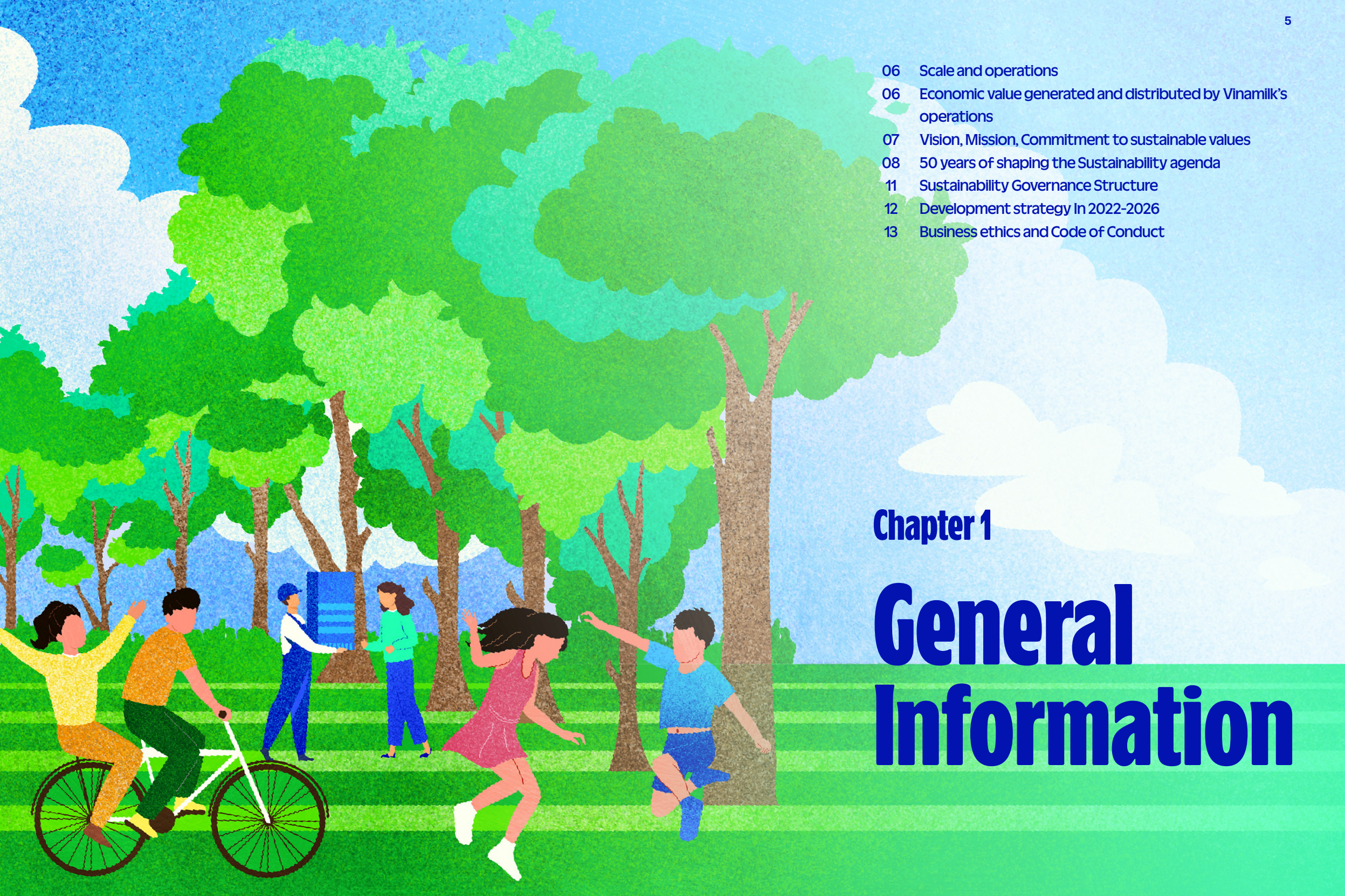
The year 2025 marks a particularly meaningful milestone for Vinamilk as we approach our 50th anniversary of establishment and development. This is not only an opportunity to reflect on the journey behind us, but more importantly, a moment to look ahead - with higher standards set for the next stage of our growth. The theme **"50 Years: From Vision to Impact"** therefore goes beyond reviewing achievements; it sets out a clear requirement: all sustainability commitments must be translated into tangible value across the Company's entire value chain.

As a company operating across the full dairy value chain, Vinamilk views sustainable development not as a set of statements or a reporting item, but as the way we make and implement daily decisions. Sustainability must be reflected in every superior product, every more efficiently

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## Chapter 1

# General Information



# Scale and operations



## Dairy farming Raw material production

### Domestic:

- **14** Dairy farms
- **130,000** dairy cows in production, managed by Vinamilk, Moc Chau Milk, and farming households.
- **69** milk collection stations managed by Vinamilk;
- **12** milk collection stations managed by Moc Chau Milk.

### International:

- **1** Lao-Jagro dairy farm complex – Laos



## Manufacturing of dairy beverages and food products

### Domestic:

- **13** Factories
- **1** Moc Chau dairy factory

### International:

- **1** Driftwood dairy factory – USA
- **1** Angkor Milk factory – Cambodia



## Supply Network

- **3** Sales office branches in Hanoi, Da Nang, and Can Tho.
- **2** Logistics hubs in Hanoi and Ho Chi Minh City



## Business and Distribution

- Over **250** products on the market
- More than **12,400** sales points across Supermarket & CVS channels
- More than **850** Vinamilk stores
- **7** e-commerce partners
- E-Shop website **vinamilk.com.vn**
- **Vinamilk** shopping app
- Exported to **5** continents, **65** countries and territories.



## Nutrition & Healthcare Ser- vices

- **1** An Khang Clinic
- **1** Nutrition Center

# Economic value generated and distributed by Vinamilk's operations

## Capital investment

**3,878,256** Million VND

Includes capital expenditures (CapEx) and depreciation expenses of fixed assets in accordance with accounting regulations.

## Taxes

**4,186,910** Million VND

Include corporate income tax, payable value-added tax (VAT), special consumption tax, land use tax, natural resources tax and import duties.

## Capital income

**29,512,158** Million VND

Includes dividends, profit after tax, and bank interest income.

## Labor income

**2,181,660** Million VND

Includes salaries, bonuses, allowances, and all insurance and employee benefit costs.

## Environmental costs and related obligations

**441,860** Million VND

Costs associated with waste treatment, environmental risk mitigation, and obligations arising from unintended environmental impacts.

## Positive impacts

**57,000** Million VND

Expenditures on community activities and initiatives aimed at improving public health and social well-being.

# Vision

"To become Vietnam's symbol of trust in nutrition and health products for human life"

# Mission

"Vinamilk is committed to providing the community with top-class nutrition and quality with respect, love, and responsibility for human life and society."

# Commitment to Sustainable Values

Over the past 50 years, Vinamilk has identified sustainable development as the foundation for long-term growth and business resilience. Social responsibility is at the core of the company's governance, operations, and value chain. With its scale and leading role in the dairy industry, Vinamilk is committed to generating economic value while upholding its responsibilities toward people, communities, and the environment. In 2021, Vinamilk issued its Sustainability Policy. Subsequently, a set of policies for each material topic was introduced, based on: Vinamilk's development strategy across environmental – social – economic – industry practices, stakeholder expectations and needs, and global best practices in sustainability.

## Vinamilk's sustainability pillars

## Commitments



People

Vinamilk continuously strives to raise the bar, create shared value, and grow together with stakeholders towards the aspiration of "Reaching new heights for Vietnam – Rising to the world."



Product

Vinamilk's guiding principle is to place quality above all. The company aims to deliver safe products that bring the best nutritional and health benefits, while moving toward environmentally friendly products and services. Vinamilk is also committed to transparency and responsible communication of product information. The company pursues perfection with passion and continuous innovation, for a stronger and healthier Vietnam.



Planet

Vinamilk views the planet as a trusted partner on its sustainability journey. The company is committed to reducing its carbon footprint through a green-growth pathway; adopting advanced, environmentally friendly technologies; and managing natural resources responsibly and efficiently through circular economy practices. Vinamilk also promotes green energy, effective waste management, and reforestation initiatives to help green Vietnam for the future.

# 50 years of Shaping the Sustainability Agenda

For five decades, Vinamilk has grown alongside the nutritional needs of Vietnamese people, the country's transformation, and our responsibility to the environment and communities. As the new standard of sustainability is to be both measurable and actionable, Vinamilk leads through execution: turning commitments into operational results, data into management capability, and technology into innovative solutions that deliver long-term value for communities.

It has been a tireless journey of learning and partnering - moving from "catching up" to "leading the way," helping define sustainability practices that fit Viet Nam's context. Vinamilk leads not only by scale, but by its ability to open new pathways: daring to be different, to act, and to persevere - doing what is right and doing it better every day so that today's value empowers future generations.



**A 50-year milestone  
is not only about projects delivered, it is about**

**Long-term  
conviction**

**Operational  
discipline**

**A pioneer's  
mindset**

## Sustainable governance based on risk management and material aspects

Environmental and social issues are becoming increasingly connected and influence the continuity of business operations in many ways. These include emissions, energy use, water, waste, biodiversity, and the rising expectations for transparency from stakeholders. While the idea of risk management is still relatively new to many dairy companies in Vietnam, Vinamilk has chosen a practical and comprehensive approach. We focus on the topics with the greatest impact, allocate resources where they are most needed, and ensure that all efforts are managed in a consistent and coordinated manner.

Since 2022, Vinamilk has applied the Dairy Sector Sustainability Framework to identify 11 material topics. At the same time, we follow ISO 31000 in risk management and apply corporate governance practices that are aligned with the OECD Principles of Corporate Governance. Vinamilk has progressively established a Sustainable Development governance structure with the involvement of both governance and executive levels in strategic planning and implementation. Building on this foundation, Vinamilk continues to refine its coordination mechanisms to enhance alignment and consistency between strategic direction and execution across the entire system.

For Vinamilk, sustainability is therefore not only about reducing negative impacts. It is also about improving risk management, strengthening corporate governance, and enhancing the quality of day-to-day operations. These improvements help the company remain resilient during periods of change and create a stronger foundation for long-term growth.

## Investing in Sustainability to create measurable value

Vinamilk's investments in sustainability continue to grow in line with the company's priorities and long-term development goals throughout its 50-year journey of building, supporting, and sharing prosperity.

At Vinamilk, sustainability is not a slogan but is reflected in measurable outcomes. We pay close attention to each operating indicator, monitor them carefully, and create tangible value through saving energy, using water more efficiently, reducing emissions, reducing waste, and promoting circular practices. We begin with small improvements, measure them, and repeat them every day. Over time, these efforts create larger advantages such as **higher efficiency, stronger resilience, and better competitiveness**.

On the social side, we take firm action and set an example in tree planting, ecosystem restoration, and community programs that spread positive values and bring hope and support to vulnerable groups.

Vinamilk chooses to turn sustainability into a real engine for growth with clear, practical, and verifiable results.

## Turning data from reporting into daily management

Sustainability data at Vinamilk is not collected only to report. It is used to guide decisions and daily operations. Our data are progressively standardized and interconnected so that it becomes a dashboard that shows how resources are used, where gaps still exist, and where resources should be prioritized. We aim to manage sustainability data with the same discipline as quality data: **systematic, consistent, independently assured, and continuously improved**.

Vinamilk is among the first companies in Vietnam to conduct limited independent assurance for Sustainability Report data since 2016.



## A diverse and self-reliant energy strategy for long-term competitiveness

With a large supply chain, our goal is not only to move faster but also to ensure **stability and continuity**. Vinamilk promotes flexible energy solutions by improving efficiency, applying green technologies, and increasing the share of green energy from sources such as CNG, biomass, solar power, and biogas. Each facility follows its own transition roadmap suited to its operations. This helps increase energy self-reliance, reduce disruptions, and balance three important factors: **cost, stability, and emissions**. For Vinamilk, energy self-reliance is not only about being greener but also about ensuring stability, service quality, and long-term competitiveness.

## Optimizing from the source and applying circular operations in resource use

Water and energy are the lifeblood of production, and they are also the clearest reflection of sustainability in daily operations. Vinamilk follows the principle of **using resources correctly, using them sufficiently, and using them efficiently**. We aim to reduce waste, improve efficiency, and increase reuse so that each unit of product consumes fewer resources and is better protected from supply and cost fluctuations.

On this foundation, Vinamilk promotes **circular economy** practices as a systematic approach to sustainability. We design to **reduce waste, sort materials for recovery, reuse them to extend their life cycle, and recycle them to return resources into production**. When resources are managed in a circular flow instead of a linear one, sustainability becomes not only an environmental effort but also a source of long-term efficiency and competitiveness for Vinamilk.

## Accelerating sustainability through AI and digital infrastructure

Sustainability transformation is not only about adding new technologies. It is about improving the way we operate and make decisions. Vinamilk builds its data infrastructure to be safe, efficient, and resource-optimal so that digital tools help reduce waste, increase productivity, and improve service quality. On this foundation, AI becomes a driver of sustainable value through better forecasting in business and supply chain, faster optimization in operations and production, and greater transparency in data and reporting. To scale sustainable AI solutions, Vinamilk focuses on three key elements: high-quality data, skilled talent, and responsible technology governance.

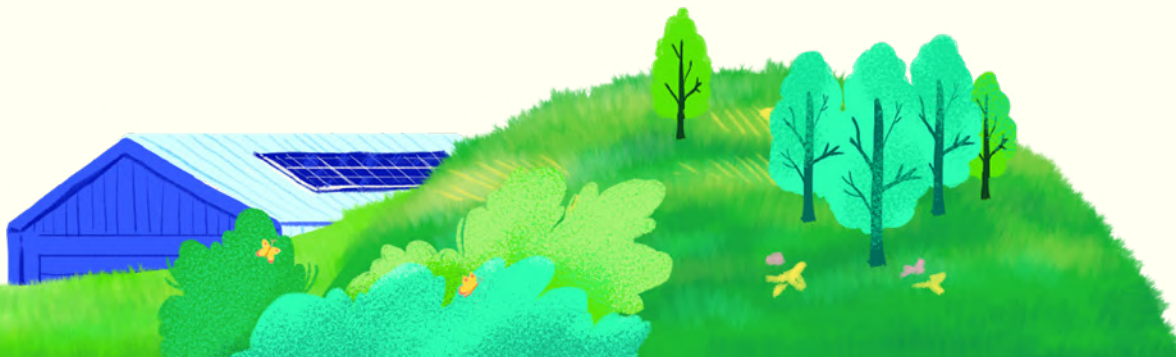
## Standardizing, digitalizing, and strengthening operations

As scale increases and requirements become more demanding, Vinamilk has chosen a streamlined yet robust approach: progressively standardizing management systems and processes, harmonizing data, and leveraging technology to enhance responsiveness and improve coordination efficiency across business units.

Proactive and pioneering in the adoption of international standards, this includes quality and food safety, environment, and occupational health and safety. We continuously strengthen our management systems based on FSSC 22000, BRC, ISO 9001, EU Organic, ISO 14001, ISO 50001, ISO 14064-1, ISO 14068, and Smeta Sedex.

In 2025, Vinamilk will officially operate its digital platform for Sustainability Data to support independent assurance of sustainability indicators, reinforcing transparency, consistency, and standardization.

Continuous improvement and disciplined, streamlined operations remain the foundation for Vinamilk to grow as a learning organization that is ready for the future.



# Sustainable Development Governance Structure



	
<b>Establishment</b>	<b>Execution</b>
	
<b>Management</b>	<b>Coordination &amp; Consultation</b>

Vinamilk’s Sustainable Development Governance Model is referenced against advanced corporate governance principles and aligned with updated frameworks, thereby supporting the Company in progressively enhancing the quality of governance beyond merely meeting basic compliance requirements.

## Establishment & Direction

### Strategy Committee - Board of Directors

- Approves policies and general statements on sustainability
- Supervises planning, implementation, and execution of strategies
- Directs advancement towards sustainability and responsibility

### Chief Executive Officer

- Ensures the execution and promotion of the sustainability roadmap in line with the directives of the Board of Directors and the Company’s development strategies
- Approves guidelines, policies, goals, and programs regarding sustainability

## Execution

### Functional Divisions / Departments

- Executes sustainable practices and initiatives within their respective areas
- Guarantees timely, transparent, and accurate sustainability reporting across all aspects

## Consultation

### Local Multi-Stakeholder Management Groups (LMGs)

- Provides strategic advice on material issues as well as sustainability direction and practices that Vinamilk aims to implement.

## Management

### Sustainable Development Board - Board of Management / Department Directors

- Implements the directives by establishing short-, medium-, and long-term sustainability goals, action plans, and detailed policies across three aspects: Environmental, Economic, and Social
- Evaluates sustainability-driven initiatives
- Integrate sustainability into business operations
- Monitors sustainability activities to ensure effectiveness and continuous improvement
- Guarantees timely, transparent, and accurate sustainability reporting across all aspects

## Coordination

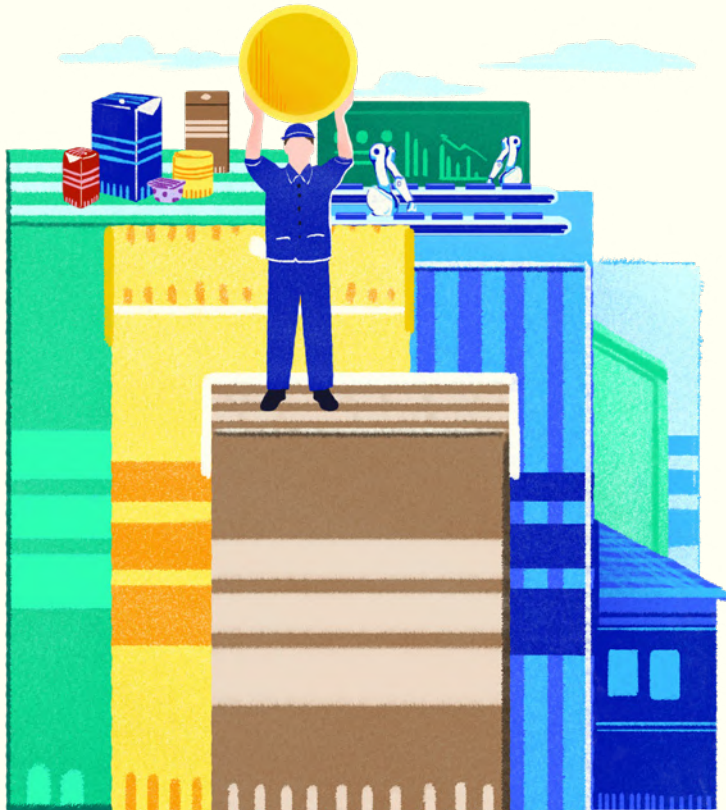
### System - Risk Management and Legal Department

- Ensures the sustainable development governance structure aligns with company objectives and operates effectively
- Provides overall coordination of sustainability initiatives
- Compiles and implements periodic Sustainable Development Reports
- Develops and implements sustainability training programs

For detailed insights into Vinamilk’s governance structure and key governance activities in 2025, refer to the 2025 Annual Report – Page 24-25.

# Development Strategy in 2022-2026

Vinamilk has developed its 2022–2026 Business Strategy to provide long-term strategic direction, sustain its leadership in the dairy industry, and adapt proactively to economic fluctuations and evolving consumer demand. The Strategy enables the Company to allocate resources effectively, strengthen competitive advantage, expand both domestic and international markets, and meet increasing expectations regarding sustainable development and corporate social responsibility.



## Accelerate digital transformation and technology adoption

- Develop internal capabilities to master technology, laying the foundation for business optimization initiatives driven by automation and data analytics, beginning with sales and digital marketing, followed by smart manufacturing, supply chain management, and other value chain functions.
- Advance smart manufacturing through increased automation in factories to enhance quality control and improve productivity.
- Strengthen data-driven supply chain management by applying technology to demand–supply balancing, inventory optimization, and transportation management.

## Deliver superior products and consumer experience

- Conduct in-depth market research and consumer insights analysis to shape effective marketing strategies and product development initiatives.
- Restructure the product portfolio based on a long-term brand framework.
- Reinforce product quality commitments while optimizing the new product launch process.
- Build a robust innovation pipeline to support portfolio expansion over the next five-year period.

## Foster sustainable development

- Position sustainable development as a long-term strategic orientation, ensuring a balanced approach between economic growth, environmental protection, and social responsibility. The aim is to go beyond profit objectives to minimize environmental impact, promote efficient resource utilization, and generate positive contributions to the community. This is done by adopting green technologies and green finance solutions, strengthening waste management practices, developing environmentally friendly products, and fostering a corporate culture anchored in social responsibility.
- Commit to a clear Net Zero 2050 roadmap by reducing greenhouse gas emissions by 15% by 2027, 55% by 2035, and achieving net zero emissions by 2050, reinforcing Vinamilk's pioneering efforts in sustainable transformation.

## Create new business opportunities

- Optimize operational capabilities while expanding multi-channel distribution services with direct-to-consumer reach.
- Establish strategic partnerships with potential collaborators to unlock product portfolio expansion opportunities.
- Enhance trade promotion activities to identify and develop new export customers.
- Conduct market research and assessment to capture opportunities in high-potential markets through direct investment, joint ventures, or mergers and acquisitions.

# Business ethics and Code of Conduct

Vinamilk is committed to fostering a professional and transparent working environment, while continuously strengthening compliance with ethical and professional conduct standards. The Vinamilk Code of Conduct serves as a guideline to help all employees and stakeholders understand and uphold ethical principles in our business activities.

## Vinamilk's Core Values

Vinamilk upholds five core values as the foundation for all its operations:



### Integrity

Acting honestly and ethically in all behaviors and business decisions.



### Respect

Treating employees, customers, and partners fairly and respectfully.



### Fairness

Ensuring equitable rights and benefits for all stakeholders.



### Compliance

Strictly adhering to legal regulations and internal policies.



### Ethical Responsibility

Acting responsibly toward society and the environment.



## The Vinamilk DNAs

Building on and further strengthening its corporate culture, Vinamilk has introduced The Vinamilk DNAs, comprising 10 key DNAs that serve as guiding principles for all Company activities, as follows:

### Essential DNA

#### For customers

- We care deeply about every customer's journey and well-being.
- Every connection we build with customers and partners is rooted in trust and designed to grow stronger over time.

#### Train as a professional sport team

- We invest in our talents, pushing them to exceed limits, inspire each other, and advance our mission together.

#### Honor comes first

- We examine our practices openly, learn from mistakes, and meet our commitments.
- No shortcuts, no excuses — just respect and accountability every step of the way.

#### Raise the bar

- "Good enough" is not even an option.
- We make history by always asking, "What's next?"

### Core DNA

#### Play offense

- We don't sit on the sidelines. We lead, take risks, and push forward.
- We never back down or say, 'It can't be done.' If a solution exists, we'll find it – if not, we'll create it.

### Aspiration DNA

#### Think in new boxes

- We see potential where others don't and create innovative solutions to stay ahead.
- By doing so, we shift the focus from short-term gains to human well-being and thriving communities.

#### Figure it out

- We dig deep, turn things upside down, and ask tough questions others avoid.
- We never settle for "good enough" and won't stop until we find lasting solutions.

#### If not now, when?

- We embrace experimentation and see failure as growth.
- Once a door opens, we don't hesitate; we move forward without second-guessing.

#### Keep it simple

- Simplicity drives efficiency.
- We cut through the clutter, focus on what matters, and get things done.

#### Own the outcomes

- We don't play blame games. We don't wait for solutions – we create them.
- If there's a problem, we own it, solve it, and stand behind our results with pride.

## Vinamilk's commitments in business operations

- **Legal compliance:** All Vinamilk activities comply with Vietnamese laws and applicable international regulations.
- **Transparency with customers and consumers:** Providing high-quality products and services at competitive prices with clear and truthful information.
- **Protection and enhancement of employee rights:** Building a respectful, fair, safe, and friendly working environment while continuously creating development opportunities for every individual.
- **Fair relationships with suppliers:** Cooperating based on transparency, honesty, and mutual benefits.
- **Strong sense of responsibility and sustainable value creation for shareholders and the community:** Using resources efficiently, protecting the environment to the highest legal standards in all countries where Vinamilk operates, and contributing to social development in Vietnam.

## Responsibilities of employees and management

- **Employees:** Each employee must clearly understand and comply with the Code of Conduct to ensure behaviors align with established ethical principles.
- **Management:** Senior leaders are responsible for setting an example in ethical business practices, guiding employees, proactively preventing unethical behavior, and ensuring no one is pressured to engage in unethical actions.
- **Guidance on ethical dilemmas:** When facing ethical issues or uncertainties, employees and managers should seek guidance from their direct supervisors or the department in charge of ethics programs – the Compliance Department.

## Anti-corruption and conflict of interest

- Vinamilk enforces strict policies on anti-corruption and conflict of interest. Employees are prohibited from abusing their positions for personal gain or participating in any activities that compromise the company's fairness and transparency.

## Legal compliance and community responsibility

- Vinamilk commits to complying with all legal regulations in Vietnam and other markets where it operates. The company also actively participates in social responsibility initiatives, environmental protection, and community development.
- The Code of Conduct is the foundation for building a transparent, professional, and sustainable corporate culture at Vinamilk. All employees are responsible for complying with and promoting these values in their daily work.



## Commitment to human rights

- Vinamilk is committed to respecting, protecting, and promoting human rights throughout all production and business operations, regarding this commitment as a foundation for sustainable development in Vinamilk's Declaration of Human Rights Policies. This policy is based on international standards such as the **Universal Declaration of Human Rights, ILO Conventions, and the United Nations Guiding Principles on Business and Human Rights.**
- Vinamilk regularly **conducts human rights due diligence**, addresses and remedies adverse impacts in a timely manner to ensure all business activities remain consistent with ethical and legal standards.



## Principles of internal conduct

- **Workplace conduct:** Open communication, respect for colleagues, cooperation toward common goals, maintaining a safe working environment, and acting based on the company's ethical values.
- **Integrity and transparency:** Avoiding conflicts of interest and refraining from using company assets for personal purposes.
- **Information security:** Strictly protecting confidential internal data and critical business information.
- **No corruption or bribery:** Any act of offering or receiving valuable gifts intended to influence business decisions is strictly prohibited.



## Monitoring and Enforcement Mechanism

- Vinamilk encourages employees to report any violations of the Code of Conduct by notifying the Compliance Department via the 24/7 reporting channels. The company commits to protecting whistleblowers and strictly handling any violations.
- Reports of violations or suspected violations are encouraged to be submitted immediately, and Vinamilk is committed to facilitating reporting to the Compliance Department or via the 24/7 reporting channels.



## Governance Structure

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- The Audit Committee supervises compliance-related matters.
- The Compliance Committee manages information and handles fraud and corruption issues.
- The Legal Department maintains compliance values and the Code of Conduct.
- Internal Audit conducts regular inspections.

## Policies and regulations system

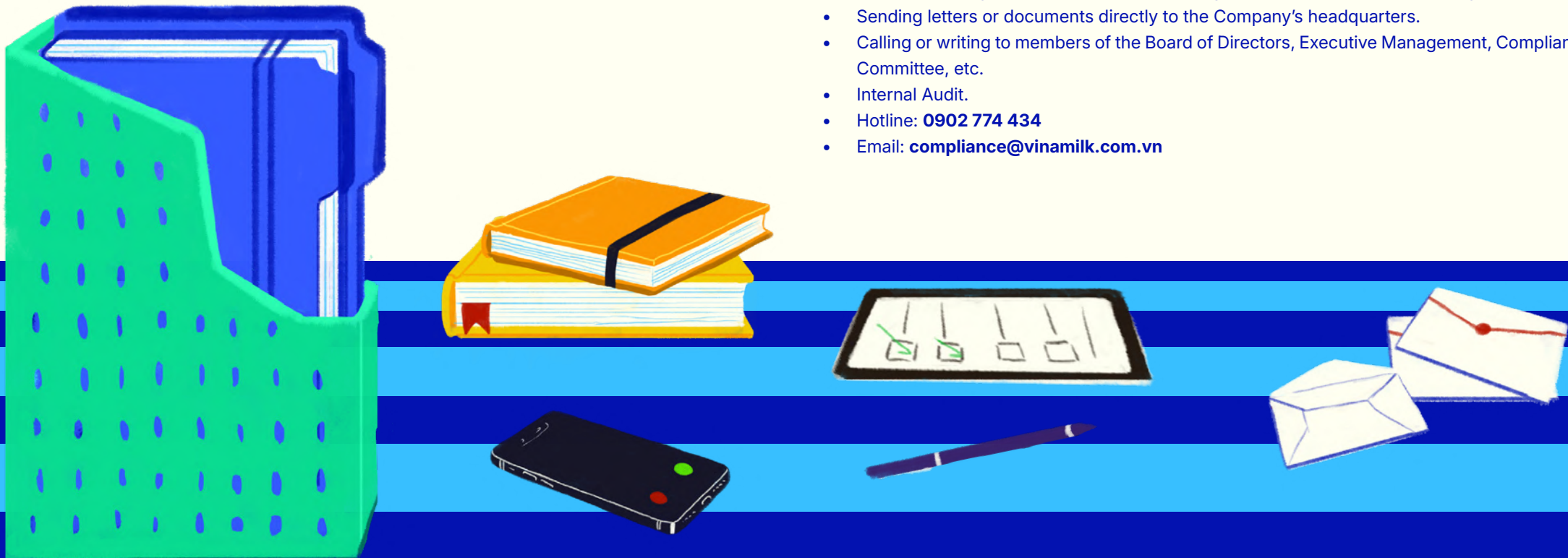
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- Vinamilk Code of Conduct.
- [Vinamilk's "Top 10 Qualities"](#).
- Human Rights Policy.
- Anti-Fraud and Anti-Corruption Regulations.
- Procedures for receiving and handling complaints and reports related to fraud and corruption.

## Reporting channels for complaints and whistleblowing

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- Directly meeting responsible persons (Managers, Directors, Executive Management).
- Sending letters or documents directly to the Company's headquarters.
- Calling or writing to members of the Board of Directors, Executive Management, Compliance Committee, etc.
- Internal Audit.
- Hotline: **0902 774 434**
- Email: **[compliance@vinamilk.com.vn](mailto:compliance@vinamilk.com.vn)**



Chapter 2

# Approach & Methodology



# Stakeholder Engagement

In the context of the dairy industry being simultaneously affected by market volatility and increasingly stringent requirements related to food safety, nutrition, environmental protection, and climate change, Vinamilk identifies stakeholder engagement as a core component of its sustainable development governance framework. This process enables the Company to better understand stakeholder expectations, concerns, and emerging risks and opportunities across the entire value chain, thereby supporting informed decision-making, strategic reviews, and the timely adjustment of policies to ensure alignment with practical conditions. The outcomes of stakeholder engagement are used by Vinamilk as key inputs in the identification and regular updating of material topics, the management of transition risks, and the implementation of long-term commitments, including the Net Zero roadmap and the development of a sustainable supply chain.

## Principles of Stakeholder Engagement

Vinamilk's stakeholder engagement activities are implemented in a consistent manner, guided by the following principles:

### Transparency and consistency in strategic direction

Vinamilk proactively discloses information related to its strategy, business performance, and sustainability priorities through official communication channels and direct dialogue. This approach establishes a foundation of trust and alignment, fostering effective collaboration with stakeholders.

### Focused, two-way dialogue

Stakeholder engagement mechanisms are designed to facilitate two-way communication, with a focus on issues that have a direct impact on the Company's business operations, risk management, and sustainable development objectives.

### Inclusive and responsible approach

Vinamilk respects the legitimate rights and interests of stakeholders across the entire value chain, while placing particular emphasis on expanding engagement with farmers, small-scale suppliers, and local communities in areas where the Company operates.

## Identification and Implementation Process

### Identify and prioritize stakeholders based on two key criteria

- The level of impact of the Company's operations on stakeholders;
- The level of influence of stakeholders on the achievement of the Company's strategic objectives and sustainable development goals.

### Establish engagement channels and interactions

Vinamilk operates a diverse range of direct and indirect engagement channels, tailored to the specific characteristics and expectations of each stakeholder group.




### Collect and categorize feedback

Stakeholder concerns, expectations, and feedback are consolidated and categorized into governance and sustainable development topics.





### Integrate into the governance system

The outcomes of stakeholder engagement are used as key inputs for risk management, strategic planning, policy review, and the identification of appropriate improvement actions.

# Stakeholder Engagement Matrix

Stakeholder Groups	Key topics of interest about Governance & Sustainability	Engagement channels	Integration into Vinamilk's sustainability governance
<p><b>Shareholders/ Investors</b></p> 	<ul style="list-style-type: none"> <li>• Long-term financial performance and sustainable growth</li> <li>• Corporate governance and ESG integration</li> <li>• Information transparency and disclosure quality</li> <li>• Climate risks and transition pathway, including Net Zero</li> </ul>	<ul style="list-style-type: none"> <li>• General Meeting of Shareholders</li> <li>• Conferences and meetings with major shareholders</li> <li>• Investor survey channels</li> <li>• Financial statements and Sustainability Reports</li> <li>• Investor conferences</li> <li>• Investor Relations Department</li> </ul>	<ul style="list-style-type: none"> <li>• Use investor feedback as key input for reviewing the ESG strategy and long-term objectives.</li> <li>• Enhance the quality of disclosures in line with good corporate governance practices.</li> <li>• Update the emissions-reduction roadmap and climate risk management framework based on practical stakeholder consultation.</li> </ul>
<p><b>Customers/ Consumers</b></p> 	<ul style="list-style-type: none"> <li>• Product quality and food safety</li> <li>• Nutritional value and consumer health</li> <li>• Transparency of product information and traceability</li> <li>• Demand for products with natural ingredients, organic attributes, and low sugar</li> <li>• Consumer trends toward sustainable and environmentally friendly choices</li> </ul>	<ul style="list-style-type: none"> <li>• Customer service hotline</li> <li>• Website and digital communication platforms</li> <li>• Customer satisfaction and experience surveys</li> <li>• Customer conferences and engagement events</li> <li>• Nutrition counseling and education programs</li> <li>• Vinamilk stores</li> </ul>	<ul style="list-style-type: none"> <li>• Integrate customer feedback into product and service improvement initiatives.</li> <li>• Enhance the provision of clear and easily accessible information on product ingredients, nutritional value, and origin.</li> <li>• Incorporate health- and sustainability-related consumer trends into product portfolio development strategies.</li> <li>• Adjust packaging design toward environmental friendliness based on consumer feedback.</li> </ul>
<p><b>Suppliers, distributors and value chain partners</b></p> 	<ul style="list-style-type: none"> <li>• Product quality, food safety, and consistency across the entire value chain</li> <li>• Sustainable and responsible supply chain and distribution</li> <li>• Ethical business practices and compliance with relevant requirements</li> <li>• Occupational health and safety conditions in collaborative operations</li> <li>• Information transparency and accountability in distribution, business operations, and market communications</li> <li>• Partners' capacity for adaptation and sustainable transition across the value chain</li> </ul>	<ul style="list-style-type: none"> <li>• Value-chain partner evaluation and classification system</li> <li>• Code of Conduct</li> <li>• Training, guidance, and partner accompaniment programs</li> <li>• Regular audits, assessments, and dialogues</li> <li>• Direct engagement throughout collaboration and operational activities</li> </ul>	<ul style="list-style-type: none"> <li>• Use engagement outcomes as input for reviewing and updating partner selection and evaluation criteria across the value chain.</li> <li>• Design and adjust training and support programs to enhance partners' capabilities and compliance levels.</li> <li>• Strengthen quality, safety, and ethical business management throughout the entire supply chain and distribution network.</li> <li>• Reinforce long-term partnerships based on transparency, responsibility, and sustainable development orientation.</li> </ul>

# Stakeholder Engagement Matrix

Stakeholder Groups	Key topics of interest about Governance & Sustainability	Engagement channels	Integration into Vinamilk's sustainability governance
<b>Government</b> 	<ul style="list-style-type: none"> <li>Legal compliance</li> <li>Industry development</li> <li>Public policies and business environment</li> <li>Socio-economic contributions</li> </ul>	<ul style="list-style-type: none"> <li>Policy dialogue</li> <li>Thematic workshops and forums</li> <li>Cooperation in law implementation and enforcement</li> <li>Government reporting and consultation</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with applicable laws and regulations.</li> <li>Actively contribute feedback and collaborate in the implementation of industry development and local economic development programs.</li> </ul>
<b>Industry Associations &amp; Non-Governmental Organizations (NGOs)</b> 	<ul style="list-style-type: none"> <li>Responsible and ethical business practices</li> <li>Sustainable development of the dairy industry and the food value chain</li> <li>Food safety and nutrition</li> <li>Environmental issues and climate change</li> <li>Advancement of sustainability standards, practices, and awareness</li> </ul>	<ul style="list-style-type: none"> <li>Conferences and collaborative forums</li> <li>Dialogue with non-governmental organizations (NGOs)</li> <li>Research cooperation and joint initiatives</li> <li>Corporate Social Responsibility (CSR) programs</li> <li>Participation in sustainability programs and networks</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate feedback and recommendations from associations and NGOs as inputs for reviewing policies, practices, and sustainability strategies</li> <li>Collaborate in the implementation of initiatives aimed at enhancing standards, capabilities, and sustainability across the dairy industry and related value chains</li> </ul>
<b>Employees &amp; Trade Union</b> 	<ul style="list-style-type: none"> <li>Safe and fair working conditions</li> <li>Employee benefits, income, and job stability</li> <li>Career development and training opportunities</li> <li>Harmonious labor relations</li> <li>Work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>Employee conferences</li> <li>Employee satisfaction surveys</li> <li>Internal communication channels</li> <li>Training and capacity-building programs</li> <li>Code of Conduct</li> <li>Dialogue with management</li> <li>Employee feedback survey on welfare and support programs.</li> </ul>	<ul style="list-style-type: none"> <li>Use employee feedback as a basis for reviewing and improving welfare policies, training programs, and working conditions</li> <li>Strengthen a safe, fair, and respectful working environment</li> <li>Maintain structured dialogue mechanisms and stable labor relations</li> </ul>
<b>Community</b> 	<ul style="list-style-type: none"> <li>Environmental impacts in areas of operation</li> <li>Community health, nutrition, and well being</li> <li>Education and livelihood development</li> <li>Climate change adaptation and disaster response</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Social Responsibility (CSR) programs</li> <li>Cooperation with local authorities and charitable organizations</li> <li>Sponsorship and volunteer activities</li> <li>Environmental protection programs</li> <li>Job fairs and local employment initiatives</li> <li>Community consultations at production sites</li> </ul>	<ul style="list-style-type: none"> <li>Incorporate community feedback into environmental impact management and operational expansion planning</li> <li>Implement long-term community development programs linked to nutrition, education, and livelihood support</li> <li>Provide timely support to communities during emergencies and post-disaster recovery</li> </ul>

# Material Topics

## Materiality assessment methodology

Vinamilk applies an impact-based materiality approach to identify topics that reflect the most significant impacts that the Company causes or contributes to on the economy, the environment and people, including impacts related to human rights. This methodology considers both positive and negative impacts, as well as actual and potential impacts, across the entire dairy value chain, from farm-level activities to end consumers.

The materiality assessment process is conducted through three main stages. **The first stage focuses on understanding the organizational context** through an analysis of global and local trends in the markets where Vinamilk operates. This includes a review of international and Vietnamese regulatory frameworks and a reference to relevant standards and frameworks such as the Dairy Sustainability Framework, the United Nations Sustainable Development Goals, and applicable Vietnamese regulations on environmental protection, labor, corporate governance and information disclosure. The integration of international standards with the specific regulatory and market requirements in Viet Nam enables Vinamilk to establish a comprehensive materiality assessment approach that is well aligned with its operating context.



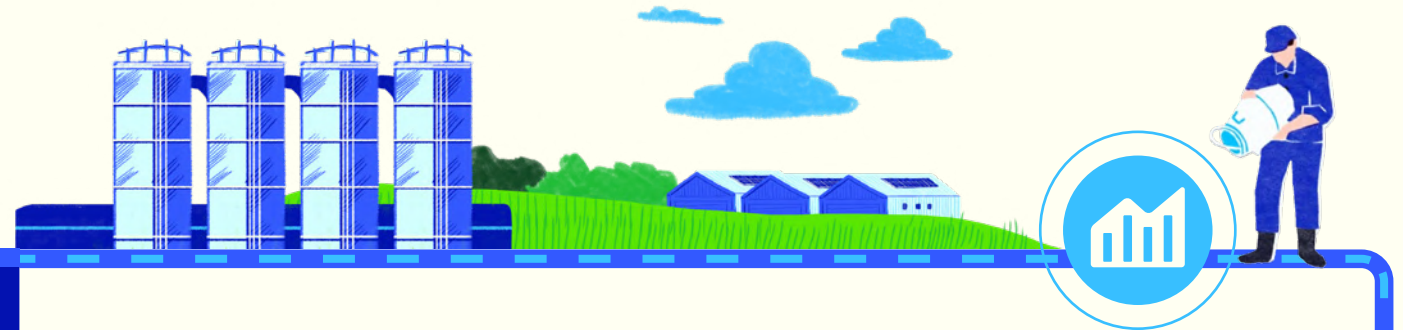
**The second stage** concentrates on identifying actual and potential impacts through a review of business activities, an assessment of the supply chain, and an analysis of the Company's business relationships. The final stage involves evaluating the significance of these impacts on the economy, the environment and people.



**The final stage** is to assess the significance of impacts on **the economy, the environment, and people**. Stakeholder engagement plays an essential role throughout the entire process, enabling Vinamilk to better understand stakeholder expectations and concerns, while also validating the accuracy and robustness of the impact assessment. The final list of material topics is integrated into the Company's enterprise risk management system and serves as a foundation for strategy development, target setting and sustainability-related disclosures.

## Periodic review activities in 2025

In 2025, Vinamilk conducted a comprehensive review of its material topics to ensure continued alignment with the Company's current operating context and emerging sustainability trends at both international and national levels. From an international perspective, Vinamilk monitored and analyzed key changes and developments, including regulatory updates and new requirements related to Net Zero commitments under the Science Based Targets initiative (SBTi), disclosures through the Carbon Disclosure Project (CDP), and the Taskforce on Nature-related Financial Disclosures (TNFD). The Company also benchmarked its ESG performance against leading industry practices and reviewed advanced sustainability reporting standards applied globally.



In parallel, Vinamilk reviewed and updated its assessment of Vietnamese legal requirements and policy directions in key areas such as environmental protection and climate change response, the implementation of extended producer responsibility (EPR) for packaging, labor relations and social welfare, corporate governance, and transparency in the capital markets. In particular, the Company aligned its activities with the National Green Growth Strategy, the Action Plan on Circular Economy, and Viet Nam's Net Zero by 2050 commitment announced at COP26, in order to ensure that its material topics remain closely aligned with the national energy transition pathway and sustainable development objectives. Vinamilk also reviewed and enhanced its practices based on the latest criteria and assessment methodologies under Vietnamese sustainability frameworks, including the Corporate Sustainability Index (CSI) and the Viet Nam Sustainability Index (VNSI), as well as sustainability-related disclosure requirements applicable in 2025.



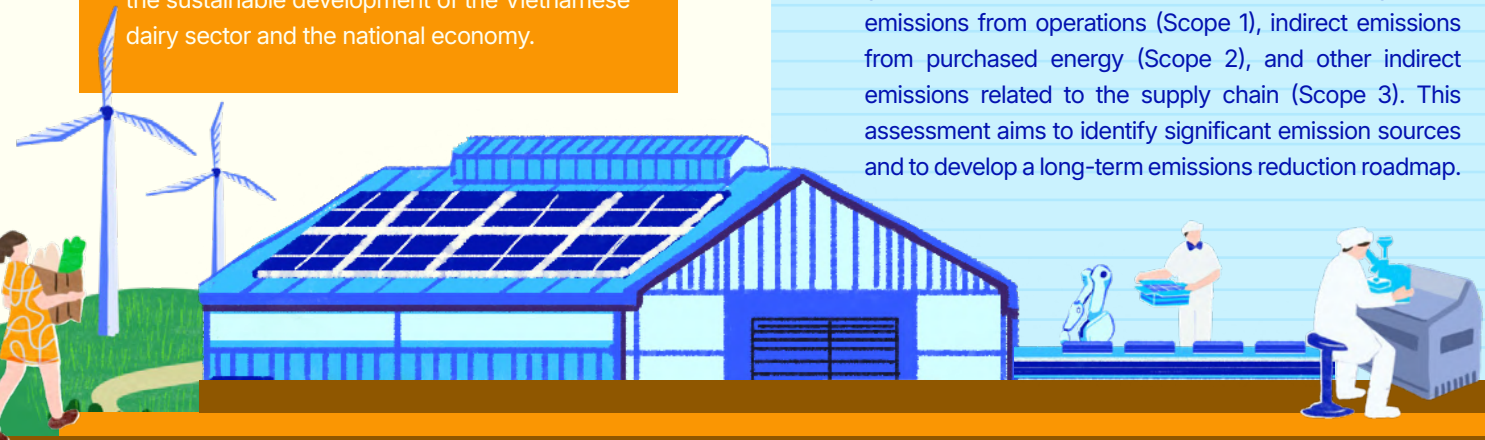
In addition, the Company consolidated and analyzed insights gathered from stakeholder engagement activities conducted throughout the year with customers, investors, suppliers, employees, local communities and ESG rating and assessment organizations. These inputs enabled Vinamilk to better understand the increasing expectations regarding the management of environmental and social impacts. At the same time, the materiality assessment was closely integrated with the Company's enterprise risk management framework to ensure that ESG-related risks and opportunities are systematically identified, their potential financial impacts assessed, and their management monitored through updates to the risk register and the establishment of relevant performance indicators.

## Review Results and Ongoing Commitment



The results of the 2025 review confirm that Vinamilk's list of material topics remains relevant and consistent with the Company's current operating context. While no significant changes were made to the overall list of material topics, the scope of management for several topics was substantially expanded to reflect increasing expectations related to disclosure transparency, supply chain due diligence and climate-related commitments.

Vinamilk is committed to continuing periodic reviews on an annual basis, or in response to significant changes in its business environment, regulatory landscape or stakeholder expectations. This approach ensures that the identification and management of ESG impacts remain aligned with high international standards and consistent with Viet Nam's sustainable development pathway, thereby contributing to the sustainable development of the Vietnamese dairy sector and the national economy.



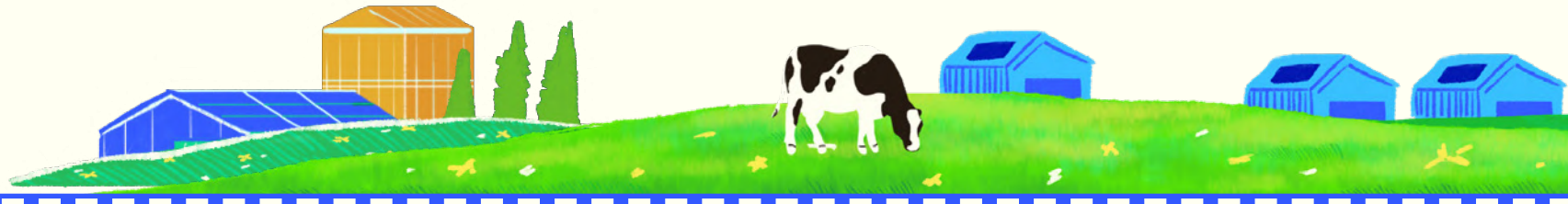
The two topics that experienced the most significant developments were product life cycle and packaging management, and emissions and energy management.



Regarding packaging management, Vinamilk expanded the scope of its responsibilities to fully comply with regulations on extended producer responsibility (EPR). This requires the Company not only to focus on environmentally friendly packaging design, but also to assume comprehensive responsibility for the collection, recycling and post-consumer treatment of packaging. As a result, Vinamilk has increased investments in packaging collection systems, expanded collaboration with professional recycling partners, and developed circular packaging solutions aligned with Viet Nam's circular economy policy orientation.



In relation to emissions and energy management, Vinamilk comprehensively updated its management scope and targets to align with the Vietnamese Government's Net Zero by 2050 commitment, while also responding to increasingly specific requirements from the Science Based Targets initiative regarding science-based emission reduction targets, as well as the global dairy sector initiative Pathways to Dairy Net Zero. The Company has initiated a comprehensive review of greenhouse gas emissions across its value chain, including direct emissions from operations (Scope 1), indirect emissions from purchased energy (Scope 2), and other indirect emissions related to the supply chain (Scope 3). This assessment aims to identify significant emission sources and to develop a long-term emissions reduction roadmap.



**PROCESS**

**OBJECTIVE**

**OUTCOME**

Identifying sustainability-related issues at the national, global, and dairy sector levels, with reference to the global Dairy Sustainability Framework (DSF).

- To define sustainability challenges and opportunities relevant to the Company.

- A list of sustainability topics and impact aspects covering Environmental, Governance, Economic and Social dimensions in line with industry standards.

Consulting and interviewing internal experts.

- To validate sustainability challenges across different criteria and benchmark against Vinamilk's existing sustainability efforts, including management practices, production standards, corporate strategies and targets, performance measurement, and the identification of challenges, risks and opportunities.
- To pinpoint Vinamilk's environmental and social impact across the value chain.

- A refined list of material topics directly linked to the value chain, including milk sourcing and farmer relationships, manufacturing and operations, employment and working conditions, product development, corporate strategy and market development, local economic impacts, biodiversity, land use and soil quality...

Defining key stakeholder groups.

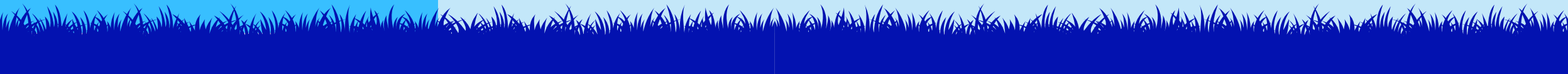
- To review and identify stakeholders that directly or indirectly influence Vinamilk's sustainability performance.
- To assess leadership priorities and determine stakeholder groups for engagement activities.

- Key stakeholder groups include customers/consumers, shareholders/investors, associations/non-governmental organizations, suppliers/distributors/value chain partners, government authorities, local communities, and employees/Company union.

Online stakeholder survey on material topics.

- To collect stakeholder feedback on the relative importance of sustainability aspects, supporting the prioritization of material topics.

- Ranked results of key sustainability criteria reflecting: (1) priorities of internal and external stakeholders; (2) priority topics for Vinamilk's future focus, and (3) stakeholder assessment of Vinamilk's current sustainability performance. The survey was distributed to 221 internal stakeholders and 78 external stakeholders, with an overall response rate of 73%.





**PROCESS**

**OBJECTIVE**

**OUTCOME**

Data analysis using comparative methods, including pairwise comparison.

- To assess Vinamilk’s level of control and influence over sustainability topics across the value chain.
- To evaluate interlinkages between topics, where action on one aspect may generate value for others, thereby supporting effective resource allocation and prioritization.

- A list of material topics categorized into three priority levels, from high to low.

Validation workshops with the Local Multi-Stakeholder Management Groups (LMGs) and contributing stakeholders to discuss the proposed prioritization of 11 sustainability criteria.

- To verify and confirm material topics with stakeholders.
- To share Vinamilk’s future sustainability direction.
- To collect feedback, taking into account available resources and ongoing programs as a basis for decision-making.

- A validated ranking of sustainability criteria grouped by higher and lower priority.
- A list of additional topics that stakeholders expect Vinamilk to further address or consider in the future.
- Most recommendations were aligned with Vinamilk’s sustainability strategy.

Deliberation by members of the Sustainability Council.

- To define sustainability objectives and related action strategies.

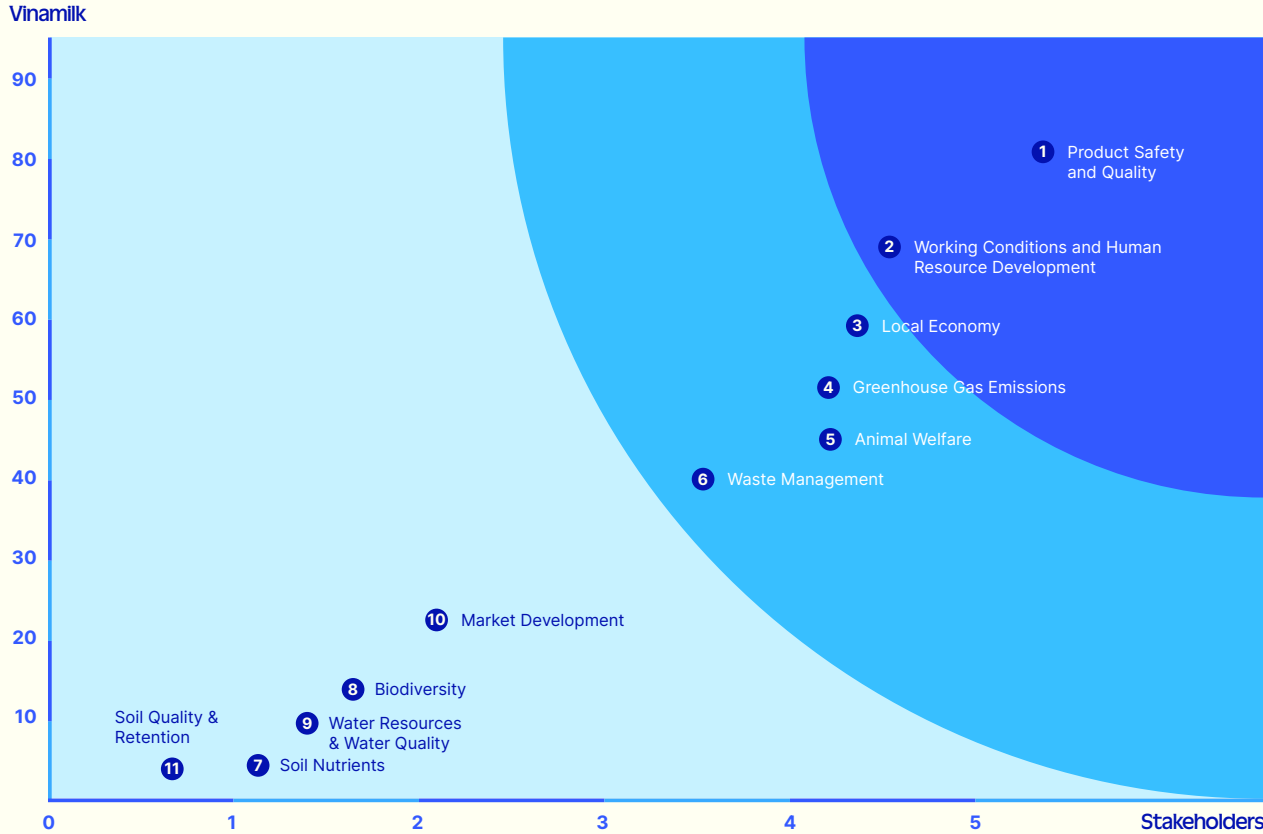
- Sustainability policies and commitments by material topic
- Defined objectives and action plans.

Implementation and monitoring in accordance with the PDCA principle (Plan-Do-Check-Act).

- Presented in Chapter 3: Material Topics, page 27.



# Material Aspects



Material Aspect chart

- 1. Product Safety and Quality
- 2. Working Conditions and Human Capital Development
- 3. Local Economy
- 4. Greenhouse Gas Emissions
- 5. Animal Welfare
- 6. Waste Management
- 7. Soil Nutrients
- 8. Biodiversity
- 9. Water Availability and Quality
- 10. Market Development
- 11. Soil Quality & Retention

The list of issues to be considered in the survey comprises 11 criteria under the Dairy Sustainability Framework:

## Product Safety and Quality

Supply chain integrity and transparency are ensured to deliver optimal nutrition, quality and product safety.

## Greenhouse Gas Emissions

Greenhouse gas emissions are quantified and reduced across the entire value chain through the application of economically efficient mechanisms to contribute to climate change mitigation.

## Waste Management

Waste generation is minimized and prevented where possible, with a focus on reuse and recycling.

## Soil Nutrition, Quality and Retention

Nutrient use is managed to minimize impacts on water and air, while maintaining and enhancing soil quality. Soil quality and retention capacity are monitored and improved to ensure optimal productivity.

## Biodiversity

Biodiversity-related risks and opportunities, both direct and indirect, are identified and addressed through action plans aimed at maintaining or enhancing biodiversity.

## Water Availability and Quality

Water availability and water quality are responsibly managed across the entire dairy value chain.

## Animal Welfare

Dairy animals are properly cared for and are free from hunger and thirst, discomfort, pain, injury and disease, fear and distress, while being able to express normal patterns of behavior.

## Working Conditions and Human Capital Development

Employees work in a safe environment, and their rights are respected and promoted.














## Local Economies

The dairy farming sector contributes to the resilience and economic development of local communities.

## Market Development

The business operates effectively through transparent and efficient market development.



Sustainable Development Pillars	SDGs	Aspects	Material Topics	Main points	Related risk category	Risk type
 <p>People</p>		<b>Economic</b>	Local Economies	<ul style="list-style-type: none"> <li>Local economic development</li> <li>Sustainable growth</li> <li>Creation of decent and sustainable employment</li> <li>Value creation for stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Risk related to raw fresh milk supply</li> </ul>	Physical risk
		<b>Economic</b>	Market Development	<ul style="list-style-type: none"> <li>Sustainable investment, with sustainability-related criteria integrated into investment assessments where investment opportunities arise. Extension of sustainability practices to suppliers across the value chain.</li> </ul>	<ul style="list-style-type: none"> <li>Risk related to the management of member entities</li> <li>Risk related to the implementation of strategic and key projects</li> <li>Financial investment risk</li> </ul>	Transition risk
		<b>Social</b>	Working Conditions and Human Capital Development	<ul style="list-style-type: none"> <li>Positive working environment</li> <li>Compensation and benefits</li> <li>Labor relations, engagement and retention</li> <li>Occupational health and safety</li> <li>Training and development</li> <li>Respect for human rights</li> <li>Business ethics</li> <li>Community development</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety risk</li> <li>Succession planning risk</li> <li>Talent recruitment and retention risk</li> <li>Regulatory compliance risk</li> <li>Legal and litigation risk</li> <li>Fraud and corruption risk</li> </ul>	Transition risk
		<b>Industry standards</b>	Animal Welfare	<ul style="list-style-type: none"> <li>Animal welfare</li> </ul>	<ul style="list-style-type: none"> <li>Disease risk in dairy herds</li> </ul>	Physical risk
 <p>Product</p>		<b>Social</b>	Product Safety and Quality	<ul style="list-style-type: none"> <li>Product safety and quality</li> <li>Product nutrition and consumer health</li> <li>Transparent and accurate product labeling</li> <li>Responsible communication and marketing</li> <li>Environment-friendly, clean and organic products</li> <li>Products meeting diverse consumer needs</li> </ul>	<ul style="list-style-type: none"> <li>Brand health risk</li> <li>Product quality risk</li> <li>Legal and regulatory compliance risk</li> <li>Communication risk</li> </ul>	Transition risk
 <p>Planet</p>		<b>Environmental</b>	Greenhouse Gas Emissions	<ul style="list-style-type: none"> <li>Responsible use of resources</li> <li>Energy efficiency</li> <li>Use of renewable energy</li> <li>Reduction of greenhouse gas emissions</li> <li>Climate change mitigation and adaptation</li> </ul>	<ul style="list-style-type: none"> <li>Environmental liability risk</li> <li>Legal and regulatory compliance risk</li> <li>Natural disaster and climate change risk</li> </ul>	Transition risk  Physical risk
			Waste Management	<ul style="list-style-type: none"> <li>Wastewater and waste control</li> <li>Compliance with environmental regulations</li> <li>Sustainable sourcing of raw materials</li> <li>Application of circular economy principles</li> </ul>		
			Water Availability and Quality	<ul style="list-style-type: none"> <li>Efficient and responsible use of water resources</li> </ul>		
			Soil Nutrition, Quality and Retention	<ul style="list-style-type: none"> <li>Sustainable land management</li> <li>Regenerative agriculture</li> </ul>		
			Biodiversity	<ul style="list-style-type: none"> <li>Protecting biodiversity</li> </ul>		

28	Product Safety and Quality
46	Greenhouse Gas Emissions
55	Waste Management
66	Soil Nutrition, Quality, and Retention
72	Biodiversity
80	Water Resources & Water Quality
89	Animal Welfare
93	Working Conditions and Human Resource Development
109	Local Economy
117	Market Development
123	Connect the hearts – Spread the values

## Chapter 3

# Material Topics



# PRODUCT SAFETY AND QUALITY

1 NO POVERTY



2 ZERO HUNGER



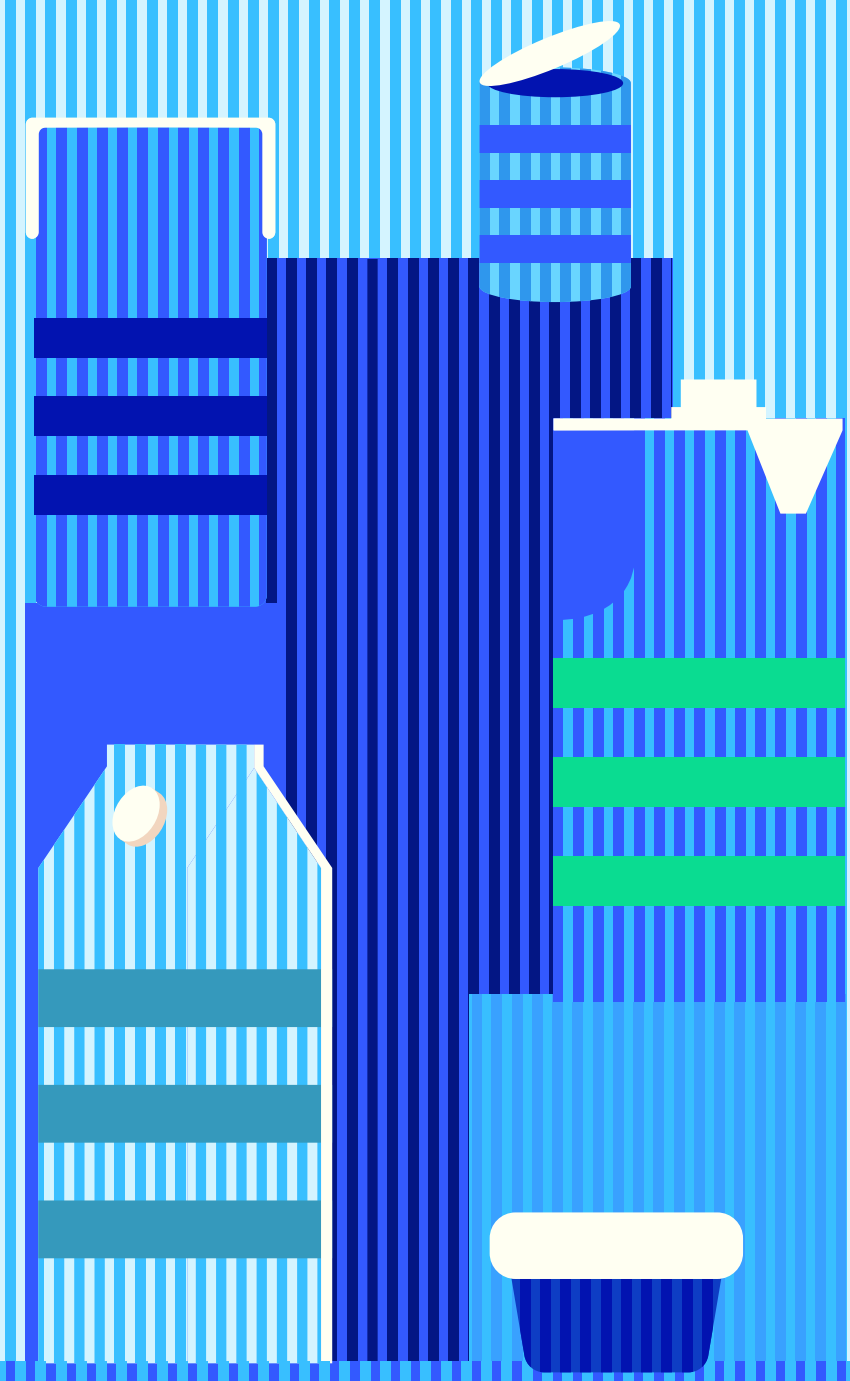
3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



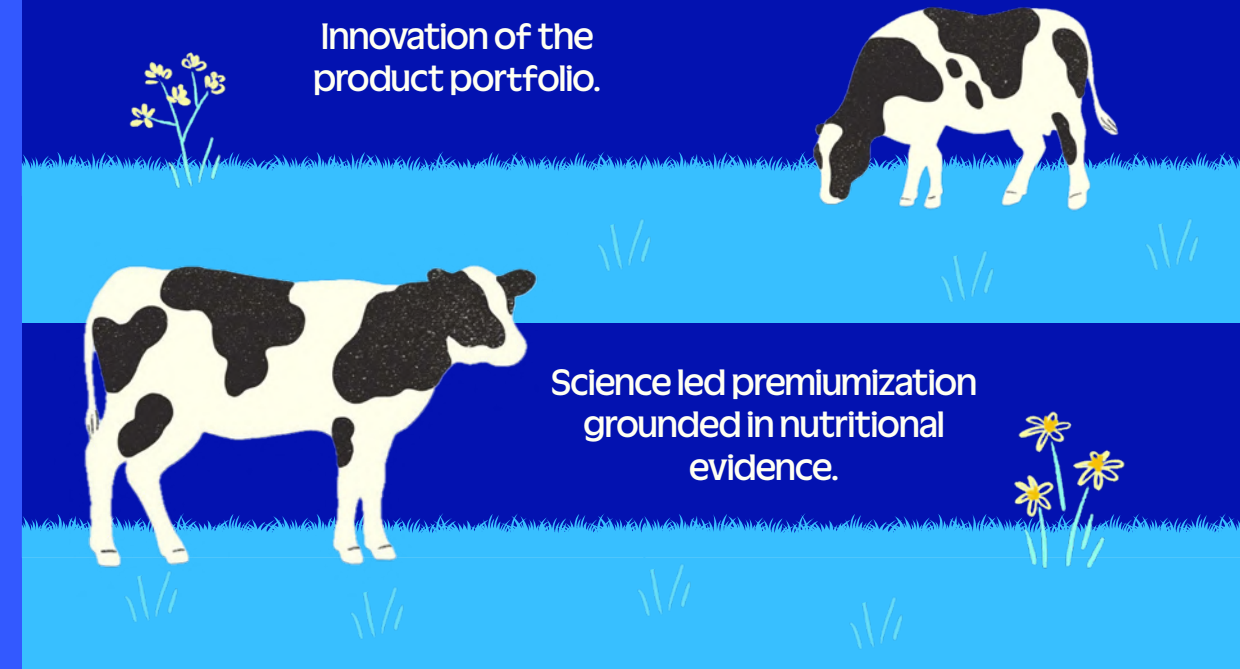
# Product Safety and Quality

We believe that the foundation of life is health. Health, in turn, is rooted in proper nutrition and positive lifestyle behavior changes. Vinamilk remains steadfast in its commitment to continuous innovation and the elevation of standards, with the aim of delivering products to every Vietnamese family and consumers around the world that are not only delicious and safe, but also optimally nutritious and sustainable for the future. In addition to pioneering advancements in nutrition and dairy processing technology in Vietnam, Vinamilk has not only established itself as a leader in the dairy industry, but has also become a symbol of international quality and strong social responsibility.

The year 2025 marks a significant milestone for Vinamilk in its journey to develop sustainable products, with a strong focus on nutritional value, community health, and consumer experience. Guided by the strategic orientation of “Innovate to elevate standards – Premiumize to differentiate – Personalize to deepen understanding,” Vinamilk concentrates on three strategic pillars:



Innovation of the product portfolio.



Science led premiumization grounded in nutritional evidence.

Enhancing consumer engagement through a multi-touchpoint model and personalized content.



# Our commitments

## Better Nutrition

### Science-based Nutrition

Continuously enhancing nutritional quality based on scientific research and clinical evidence to deliver tangible health benefits to consumers.

### Healthier Formula Innovation

Striving to reduce sugar, fat, and unnecessary additives, while prioritizing natural ingredients and clean raw materials.

### Essential Micronutrient Fortification

Enriching products with vitamins, minerals, dietary fiber, and beneficial nutrients to support comprehensive development across different consumer groups.

### Food Safety

Ensuring product safety at every stage - from raw materials to finished goods - in compliance with international standards.

### Preserving Purity

Developing organic products, non-GMO ingredients, and preservative-free formulations, guided by the commitment to "pure fresh milk that preserves its natural taste".

### Transparent Labeling

Providing clear and easy-to-understand nutritional information, empowering consumers to better manage the quality and quantity of their food intake.

# Our impact

## Objective

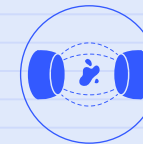
# 0%

added-sugar formulations in selected product categories for the sugar reduction roadmap (2025–2028)

## Application of advanced technologies



Ultrafiltration technology



Dual vacuum processing



Powdered milk containing 6 HMOs

- Building and expanding a health-focused product ecosystem: Organic, low-sugar, no-added-sugar, high-protein, lactose-free, formulated with A2 protein, naturally fermented products, plant-based milk, and products fortified with essential micronutrients, dietary fiber, and probiotics.
- Implementation of the sugar reduction roadmap (2025–2028): Progressively reducing sugar content, aiming to achieve no-added-sugar formulations in selected product categories.
- Better production through modern technologies: Ensuring nutrition and quality throughout the journey from farm to table, supported by internationally recognized management systems and certifications, including FSSC 22000, BRC, ISO 9001, Global S.L.P., EU Organic, Halal, ISO 17025.



# Our commitments

## Better Choice

### Personalized Nutrition

Providing products tailored to the specific needs of distinct consumer segments, including infants and young children, the elderly, pregnant women, individuals with lactose intolerance, vegetarians, and others.

### Extensive and Diverse Product Portfolio

Expanding the product portfolio to ensure consumers always have options that align with their health conditions, preferences, and lifestyles.

### Healthier Choices

Increasing the proportion of plant-based products, low-sugar options, fortified with probiotics, high-protein products, and sustainable offerings in line with modern nutrition trends.

### Responsible Marketing

Respecting consumers - especially children - by ensuring that communications are accurate, science-based, and transparent.

### Education and Inspiration

Contributing to improved nutrition awareness through community campaigns, nutrition counseling initiatives, and school milk programs, with communications grounded in scientifically sound content.

## Better Access

### Nutrition for Every Household

Striving to ensure that every Vietnamese family - regardless of socioeconomic status or geographic location - can access safe, high-quality nutritional products.

### Affordable and Accessible Pricing

Developing a wide range of pack sizes and pricing options to enable low-income consumers to access nutritious food daily.

### Extensive Distribution Network

Expanding distribution coverage, including in remote and underserved areas, to ensure that no one is "left behind" in accessing healthy food.

### Transparency and Traceability

Providing comprehensive, accurate, and transparent information to help consumers understand products and make informed choices with confidence.

### Consumer and Data Protection

Listening actively, responding promptly, and safeguarding personal data in accordance with international standards, with respect for consumers at the core of all interactions.

# Our impact

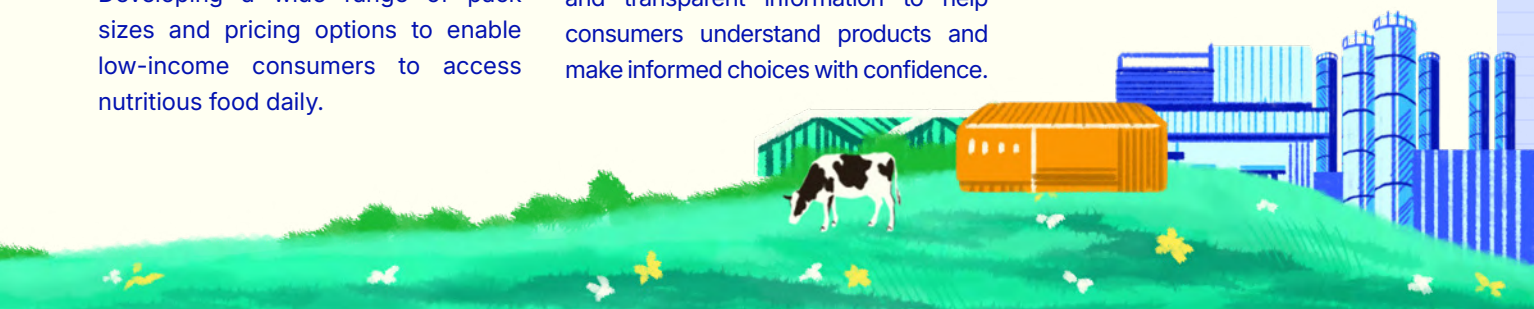
**13** product categories    **250+** products    **100+** new and improved products

- Development of a product portfolio covering the full nutrition lifecycle.
- New and improved products aligned with the principles of healthier nutrition, safety, and transparency.
- Broad consumer coverage, with tailored products for pregnant women, infants and young children, the elderly, people with diabetes, individuals with lactose intolerance, physically active consumers, vegans, and those seeking weight management solutions.
- Packaging innovation toward sustainability, emphasizing safety, environmental friendliness, and reduced environmental impact.
- Implementation of extensive community-based initiatives, including nutrition education programs, workshops, healthy lifestyle booths, and product sampling activities.

Expanding export markets to **65** countries and territories    **26,385** customer engagements

Response time **≤ 24** hours    Complaint resolution **≤ 3** days    Customer satisfaction **97% in the domestic market** and **100% in export markets**

- Building an omni-access ecosystem with multiple touchpoints, including retail stores, supermarkets, e-commerce platforms, mobile applications, livestream channels, and community-based engagement.
- Accelerating digital transformation in customer services, alongside the standardization and strengthening of data security and protection.



# Global awards & recognitions



Brand Finance®

**World's Most Potential Dairy Brand**

Brand Finance



**Asian Technology Excellence Awards 2025**

Digital Innovation and Automation



**Best Packaging Design**

Plant-Based Yogurt

**Best Yogurt**

Green Farm High Protein Greek Yogurt

World Dairy Innovation Awards 2025



**Purity Award**

Optimum Gold



**CLP certified**

Vinamilk 100% Fresh Milk, Green Farm Fresh Milk



**Vietnam High-Quality Goods**

29 consecutive years



**Vietnam National Brand**

17 consecutive years

# From Farm to Table: Ensuring nutrition and quality – Better Production

## Vinamilk farms - agriculture 4.0

- Vinamilk Green Farm: Our ecological farm.
- EU Organic (EU Organic-certified farm).
- Standardized milking hygiene & immediate cooling after milking.
- Clean feed: no pesticides, no chemical fertilizers, non-GMO.

### Compliance with international standards

- ISO 9001
- Global S.L.P
- EU Organic

### Technology and Digitalization

- RFID: Individual cow management with livestock data recorded per animal.
- IoT: Real-time monitoring of water, feed, and barn environment.
- Smart Dairy Farm Management System.
- QR code-based traceability.

## From farm to factory

- Transportation by dedicated refrigerated tanker trucks, maintaining stable temperature conditions.
- 10-step organic process requires a closed-loop transportation system.
- Quality control (microbiological parameters, antibiotic residues, foreign matter, etc.) conducted at both the farm and the receiving factory.
- Storage time limited to no more than 24 hours from milking to processing.

### Technology and Digitalization

- GPS-based monitoring of tanker routes, tracking transportation distance and travel time.
- Sensors controlling temperature and freshness inside refrigerated tanks during transportation.
- IoT connectivity between farm and factory to provide real-time alerts for any abnormalities during transportation.

## Vinamilk's smart factory

- Closed-loop and automated production process.
- 100% of raw material batches are inspected and approved before entering production.
- No preservatives are used, and no genetically modified (GMO) ingredients are applied, in compliance with applicable regulations.
- 100% of finished product batches are tested and verified to meet quality and safety requirements prior to distribution.
- Periodic testing conducted by independent laboratories.

### Compliance with international standards

- ISO 9001
- FSSC 22000
- BRC
- Halal
- EU Organic
- ISO 17025

### Technology and Digitalization

- MES – Manufacturing Execution System.
- Real-time monitoring.
- Deviation alerts and 100% product traceability.
- ERP – SAP
- Production planning, demand forecasting, and intelligent inventory management.
- Integrated management from raw materials → production → warehousing → distribution.
- Tetra PlantMaster – 100% Automation
- End-to-end integration of the entire production line, from receiving → processing → filling and packaging.
- WMS – Warehouse Management System
- Automated internal logistics using LGV/RGV robots within the factory.



## Warehouse & Logistics

- Inventory management to prevent overstocking or stockouts and reduce warehousing costs.
- Quality inspection throughout the storage process.
- Optimization of storage duration and delivery lead time.

### Compliance with international standards

- ISO 9001
- FSSC 22000
- EU Organic

### Technology and Digitalization

- Smart warehouse with pick-to-light systems and robotic loading/unloading.
- WMS directly integrated with ERP, enabling real-time inventory monitoring.
- RGV robots for automated pallet in/out operations.
- IoT-based monitoring of warehouse and refrigerated truck temperatures.

## Market & Distribution

- Omnichannel distribution: Vinamilk stores – supermarkets – convenience stores – traditional trade – B2B.
- Nationwide coverage across all 34 provinces/cities: 12,400 sales points in supermarket and convenience store (CVS) channels, over 850 Vinamilk retail stores.
- Exports to over 65 countries and territories.
- E-commerce: official website, mobile app, and e-commerce platforms (Vinamilk, Shopee, Lazada, TikTok).

### Technology and Digitalization

- DMS (Distribution Management System) for distribution management and real-time sales tracking.
- QR code-based traceability, integrated with ERP systems.
- AI-powered order orchestration, providing product recommendations and sales support to increase conversion rates.
- AI-based delivery image verification system, automatically confirming correct delivery location and accurate quantities.

## Consumers (to-table)

- Nutrition Advisory Center
- Customer Data Protection and Privacy Policies

### Technology and Digitalization

- Omnichannel customer service system: hotline – email – website – fanpage.
- Customer feedback analysis to improve the product lifecycle.



## A Culture of Quality with Customers at heart

Vinamilk's commitments are built upon three cross-cutting principles: no compromise on quality - every product reaches consumers only when it fully meets international standards; food safety as a shared responsibility - from dairy farmers to every employee across the value chain; and customer centricity - with all decisions driven by the interests and well-being of consumers.

As the foundational layer of the Vinamilk Quality Culture Pyramid, leadership commitment is defined as the decisive factor in shaping the company's strategic direction, quality standards, and operational systems. Senior management is directly involved in the formulation and approval of policies on quality, food safety, and risk management, while actively driving the consistent application of international standards throughout the entire value chain. These orientations establish a shared reference framework, ensuring that the core values of integrity, continuous improvement, and genuine care are embedded and realized in every product and operation.

On an annual basis, Vinamilk conducts management reviews and periodic evaluations of its quality management system through a two-layer assurance mechanism: internal audits across business units - from farms and factories to warehousing, logistics, and commercial operations - combined with independent external audits conducted by internationally recognized certification bodies. This mechanism ensures a harmonized, objectively verified, and continuously improved quality system, thereby laying a solid foundation for the sustainable development of a company-wide quality culture.



In an increasingly challenging global context marked by climate change, mounting environmental pressures, and growing consumer demand for nutritious products, Vinamilk remains steadfast in its core commitments:

**QUALITY** as the foundation of sustainable development, **CUSTOMERS** as the heart of every operation, **và CUSTOMER NEEDS AND EXPECTATIONS** as the powerful inspiration, with all three driving innovation and creativity.

## Quality & Food Safety Management System – International Standards

As the layer directly following leadership commitment, the quality and food safety management system serves as the core operational foundation of the entire enterprise. Over nearly 50 years of formation and development, Vinamilk has established a multi-standard, internationally benchmarked integrated management system, functioning as a critical safeguard that protects every link across the value chain. This system is not merely a set of technical requirements, but a comprehensive governance ecosystem that harmoniously integrates quality, technology, people, and data, enabling Vinamilk to consistently uphold sustainable standards from inputs to final products.

The tiered and integrated approach enables the system to establish a clear "quality corridor" for each stage of the supply chain. Every raw material batch, production run, and finished goods lot is associated with defined technical control points and data control points, allowing for early detection and prevention of risks before they escalate into larger-scale issues.

At this level, the management system effectively operationalizes leadership commitment, while simultaneously providing the essential foundation for Tier 3 – Technology & Innovation and Tier 4 – People & a Culture of Care to operate efficiently, seamlessly, and sustainably across the company.

Laboratory testing capability represents a key pillar of this operational layer. All laboratories across Vinamilk's factories are accredited to ISO/IEC 17025, certified by the Bureau of Accreditation (BoA), and internationally recognized. This is currently the only global standard that assesses laboratory technical competence and the reliability of testing results, ensuring that all quality and food safety decisions are based on accurate, objective, and verifiable data.

## Technology & Innovation Leading Through Breakthroughs

Modern technology serves as the core foundation for ensuring product quality and food safety, while simultaneously activating, reinforcing, and standardizing operational culture - enabling all practices to be consistently maintained, transparent, and verifiable. Investments in digitalization and automation play a unifying role in operations, supporting Vinamilk's transition toward a Smart Factory model that optimizes productivity, quality, and resource efficiency. At the same time, these investments form an interconnected quality-control technology ecosystem spanning from farms to factories, warehousing, logistics, and distribution, thereby establishing a comprehensive digital food safety network.

MES – Manufacturing Execution System functions as the core digital operations layer, connecting equipment and control points while collecting real-time data to optimize performance, reduce waste, monitor OEE, issue abnormality alerts, enhance traceability,

and comply with QFS standards. Through these capabilities, MES helps minimize equipment failures, losses, and indirect emissions.

ERP serves as the integrated value-chain platform, consolidating data and processes from farms through production and distribution. This integration optimizes material flows, reduces excess inventory and raw-material losses, and enhances supply-chain transparency - an essential pillar of sustainable development.

Tetra Plant Master provides comprehensive automation by connecting all equipment and processes on a unified data platform. The system enables real-time quality control, optimizes the use of energy, water, and chemicals, reduces waste, improves product consistency, and promotes greener manufacturing practices.

Operational automation, smart warehousing, and LGV robotics together create a seamless operational network. LGV robots ensure precise material handling, reduce reliance on manual labor, and minimize cross-contamination risks; smart warehouses enable real-time inventory management, optimize storage, reduce energy consumption for preservation, and accelerate inbound, outbound, and delivery operations. When integrated with Tetra PlantMaster, these systems reduce operational errors, maintain optimal storage conditions, and lower emissions from internal logistics.

Traceability and risk management through QR-based systems integrated with ERP and MES allow Vinamilk to track each product batch, enhancing transparency and traceability control across both traditional distribution channels and e-commerce platforms.



## Humans of Vinamilk Build with Quality, Deliver with Care

Within the Vinamilk Quality Culture Pyramid, people represent the highest tier and play a decisive role in building, sustaining, and advancing a resilient quality system. While technology enables the automation of thousands of operational tasks and digital systems allow real-time monitoring across the entire process, it is ultimately people who make the right decisions - consistently prioritizing quality and food safety in every situation.

Every Vinamilk employee acts as a critical safety gate, where professional expertise, ethical standards, attentiveness, and a strong sense of responsibility are translated into concrete actions throughout the entire value chain - from farms and factories to warehousing, distribution, and sales.

**Capability foundation:** Vinamilk implements structured training programs focused on process discipline, hygienic practices, traceability compliance, and a mindset of early deviation detection and prevention. This approach transforms quality and food safety into embedded operational habits, rather than short-term initiatives.

**Leading experts as guardians of high standards:** Vinamilk's laboratory system brings together engineers and specialists in microbiology, analytical chemistry, food technology, and nutrition. The team receives in-depth training and continuous updates on international standards, ensuring technical competence, objectivity, and the reliability of test results before products are released to the market.

**Skills advancement and lifelong learning:** Vinamilk maintains ongoing upskilling and food safety awareness programs for core teams such as R&D, QA/QC, and production. In parallel, specialized training courses on aseptic production and systematic troubleshooting are regularly conducted. This approach enables experts to fully master underlying principles, equipment, and operational conditions - thereby strengthening sustainable product development capabilities in line with international standards.

## Partnership for Development – Creating Shared Value

Vinamilk not only complies with existing standards but also proactively co-creates quality benchmarks through active participation in domestic and international professional forums and organizations, including Codex, AOAC SEA, the Ho Chi Minh City Quality Association, the Ho Chi Minh City Food and Foodstuff Association, and the Science and Technology Association for Product Quality Standards, among others. Through these engagements, Vinamilk contributes to the development and continuous updating of industry standards, shares operational knowledge and best practices, and helps shape an authoritative professional voice to advance modern quality management frameworks.

In parallel, Vinamilk operates a network of industry experts and collaborates closely with the National Institute of Nutrition in clinical research programs, ensuring that all nutritional claims and health benefits of its products are supported by scientific evidence and subjected to independent evaluation.

As a pioneering enterprise, Vinamilk also actively participates in policy consultation and regulatory development, ensuring full compliance with current regulations while proactively adapting to forthcoming legal changes. These include draft decrees guiding the Law on Product and Goods Quality, regulations on product labeling, and the draft revised Law on Food Safety.

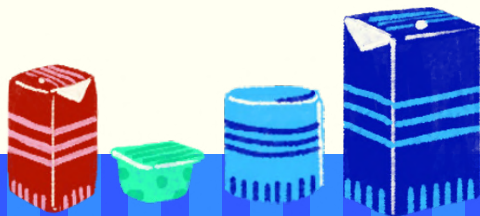
Additionally, Vinamilk works in close partnership with leading global nutrition partners such as Chr. Hansen and DSM to continuously optimize product formulations based on scientific evidence and to standardize production processes. These collaborations help preserve nutritional value and the products' natural freshness, while reinforcing Vinamilk's commitment to high-quality and science-based nutrition.



# Better Nutrition - Innovation, nutrition, safety and transparency

In 2025, Vinamilk further strengthened its Better Nutrition orientation, focusing on delivering a healthier, safer, and more sustainable nutrition portfolio for consumers. The innovation program is implemented through the application of nutrition science and advanced technologies, with a clear direction toward reducing ingredients of health concern (such as sugar and fat), enhancing nutritional benefits (including protein, micronutrients, and functional ingredients), and expanding plant-based and high-protein product offerings.

Product innovation initiatives are carried out in an integrated manner across the entire value chain—from formulation research and processing technologies to food safety management and packaging improvements aimed at reducing environmental impact. Vinamilk's innovation portfolio in 2025 not only supports business growth but also directly contributes to the company's sustainable development objectives: better nutrition, safer and more transparent choices, responsible consumption, and reduced environmental footprint.



## Strategic Pillars

## Objectives

## Performance in 2025

### Optimizing Nutritional Value & Product Formulation

- Increase nutrient density per serving.
- Apply advanced technologies, including ultra-filtration (high-protein), next-generation HMOs, lactose-free processing, and European probiotics.
- No preservatives and no GMO ingredients.

- Developed and improved 100 products, focusing on healthier formulations and optimized nutrient density.
- Researched and applied advanced manufacturing technologies, including next-generation HMOs, high-protein ultra-filtration (UF), European probiotics, and lactose-free processing.
- Green Farm High Protein (high protein – low fat – lactose-free) developed using ultra-filtration (UF) technology.
- Optimum A2 Pro+ with A2 protein and 6 HMOs.
- 100% of products free from preservatives and GMO ingredients.

### Plant-Based Product Development

- Expand the plant-based product portfolio, including plant-based milk, plant-based yogurt, and high-calcium / high-protein plant-based beverages.
- Promote green nutrition and sustainable dietary choices.

- The plant-based product segment accounted for 2.19% (**↑ 0.34%**) of the total portfolio.
- Launched 9-nut plant-based milk with low or no added sugar, along with plant-based yogurt products.
- Strengthened consumer education and communication initiatives on healthy, plant-based dietary choices.

### Less-to-No Sugar Options

- 2025-2028 Objective: Gradually reduce added sugar levels across key product categories, with the ambition to achieve no added sugar in selected categories by 2028.
- Increase the number of low-sugar and no added sugar SKUs in major product segments.
- Maintain great taste through sensory research and advanced flavor-balancing techniques.

- Low-sugar products accounted for 44.12% (**↑ 18.47%**) of the portfolio.
- No added sugar products represented 15.16% (**↑ 3.15%**).
- Yogurt: 5–11% reduction; Necta beverages: 25% reduction; High-calcium soy milk: 14% reduction.
- 100% of fresh milk products now offer low-sugar or no-sugar variants.



## Strategic Pillars

## Objectives

## Performance in 2025

### Protein Diversification & Development of High-Protein Products

- Expand plant-based protein options.
- Develop high-protein product lines, including fresh milk, Greek yogurt, and high-protein plant-based beverages.

- High-protein products accounted for 0.35% of the total portfolio.
- Launched a range of high-protein products, including: Vinamilk Green Farm High Protein, High-protein Greek yogurt, High-protein plant-based milk, High-protein fresh milk.

### Personalized Nutrition for Target Consumer Groups

- Design product formulations tailored to specific consumer groups, including young children, the elderly, people with diabetes (low-GI), individuals with lactose or soy intolerance, pregnant women, and consumers seeking weight management solutions.
- Base product development on scientific evidence and Vietnamese Recommended Nutrient Intake (RNI) guidelines.

- Optimum Colos Step 3 reduced sugar content from 2.9% to 2.3%.
- Expanded product offerings that are lactose-free and soy-free; low-GI products; strengthened the maternal nutrition product line, with enhanced levels of DHA, folic acid, and iron.

### Fermented Products, Probiotics & Gut Health

- Strengthen the role of probiotics and naturally fermented foods in the nutrition portfolio.
- Expand the range of low-sugar products featuring next-generation probiotics

- Products supplemented with probiotics accounted for 5.70% (**↑0.36%**) of the portfolio.
- Green Farm Drinking Yogurt launched with 6 European probiotic strains, delivering 720 million CFU per bottle.
- Introduced naturally fermented kombucha tea

### Balanced Portioning & Food Waste Reduction

- Develop flexible packaging formats (small, medium, and family sizes).
- Design portion sizes aligned with RNI guidelines to minimize overconsumption and promote responsible consumption.

- Expanded small and medium pack sizes across key product categories.
- Implemented precise portion sizing based on the principle of right quantity – adequate nutrition – no excess.

### Sustainable Packaging & Responsible Consumption

- Transition toward recyclable and paper-based packaging.
- Promote collection and recycling initiatives, alongside consumer education on green consumption.
- Reduce packaging-related lifecycle emissions.

- Increased the share of recyclable packaging in the beverage and fresh milk categories.
- Implemented packaging collection initiatives to support recycling programs.
- Improved packaging design with clear, transparent, and easy-to-understand nutritional information.

# 2025 Product Portfolio Composition



Naturally fermented products

**17.90%**

Dairy products processed through milk fermentation, or products derived from milk—with or without modification of regulated components—by the action of suitable microorganisms that lower pH, with or without coagulation.



Plant-based products

**2.19%** ▲0.34%

Plant-based alternatives made from premium ingredients such as walnuts, almonds, oats, red beans, white beans, mung beans, black beans, peanuts, soybeans, and others. 100% non-GMO ingredients.



Products fortified with vitamins and minerals

**63.57%**

Products supplemented with soluble dietary fiber, delivering proven health benefits.



Organic products

**0.24%** ▲0.05%

Products made from organic ingredients. Certified to European Union Organic standards (EU Organic).



No added sugar products

**15.16%** ▲3.15%

Products with no added sucrose, supporting healthier dietary choices.



Products fortified with soluble fiber

**5.61%**

Products supplemented with soluble dietary fiber that supports health.



Reduced-sugar products

**44.12%** ▲18.47%

Products with reduced sugar content compared to standard products, supporting better health.



Lower-fat products

**0.57%** ▲0.38%

Products with reduced fat content compared to standard products.



Probiotic products

**5.7%** ▲0.36%

Products enriched with beneficial microorganisms that support gut health.



High-protein products

**0.35%**

Products with high protein content.

# Responsible, Transparent, and Ethical Communication and Marketing

In a social context where information spreads at an unprecedented speed, heightening the risk of nutritional misinformation, misleading advertising, and unverified content, consumers increasingly need reliable, clear, and easy-to-understand information to safeguard their health and rights. As a result, transparent and responsible communication is no longer merely a matter of legal compliance; it has become an essential element in building long-term trust between businesses and the community.

At Vinamilk, that trust is upheld by three core pillars: honesty, transparency, and responsibility. These are not slogans, but fundamental commitments and promises delivered every day through every product label, communication message, Nutrition Facts Label, and interactions with consumers. Vinamilk believes that when transparency is consistently upheld, trust becomes the foundation for accompanying the community toward a safer, more scientific, and more sustainable nutrition future.

## Multi-layered control of product labeling information

Before being released to the market, all labeling information undergoes two levels of professional review:

- R&D Department verifies scientific accuracy and nutritional safety.
- Legal Department ensures compliance with Vietnamese regulations, export-market requirements.

This process guarantees that every communication message is trustworthy, particularly critical for products intended for children and consumers with specific nutritional needs.

## Honest, clear, and consumer-friendly labeling

To enable consumers to proactively choose products that support their health, Vinamilk ensures that product labeling is:

- Complete, accurate, and compliant with Vietnamese regulations and export-market requirements.
- Clearly presented, including ingredients, Nutrition Facts Label, and usage instructions.

## Communication: Beyond commercial advantage, serving consumer

In 2025, as the food market witnessed numerous cases involving misleading advertising and insufficient information transparency, Vinamilk further elevated its internal standards, viewing information transparency as a protective shield for consumers.

For Vinamilk, communication is not merely a means of product promotion, but a responsibility to deliver **accurate nutritional knowledge**, empowering consumers to make informed decisions for their families. Accordingly, all communication content from packaging and websites to TV commercials, social media posts, and livestreams, is developed based on one fundamental principle: **"Say it right – Say it fully – Say it responsibly."**

Vinamilk commits to ensuring that:

- Information on **ingredients, formulations, origins, and production processes** is conveyed honestly and in full compliance with regulations.
- All advertising claims are verifiable, not exaggerated, and free from misleading implications.
- Nutritional and health benefits information is science-based and reviewed by qualified experts.
- Consumer rights are fully respected and protected.



## Responsible communication towards children and consumers under 16

Vinamilk recognizes that children are a vulnerable group requiring protection. Accordingly, strict principles are applied:

- Focus on promoting healthy eating habits, appropriate portion sizes, physical activity, and positive lifestyles.
- Use age-appropriate language and imagery, without placing pressure on children.
- Avoid direct calls for children to purchase products.
- Ensure promotional programs and games are transparent, fair, and free of emotional manipulation.

In 2025, Vinamilk further expanded nutrition education initiatives in schools, residential communities, and family-oriented events, helping children access accurate information from an early age.

## Respecting and promoting breastfeeding

For Vinamilk, promoting breastfeeding is not only a legal obligation, but also, a moral commitment:

- All breast-milk substitute products clearly state: "Breast milk is the best food for the health and comprehensive development of infants."
- Communication about infant formula is limited to mothers who are unable to breastfeed or who choose formula feeding based on individual needs.
- All parenting-related information emphasizes prioritizing breast milk, alongside appropriate nutritional guidance.
- Vinamilk continues to expand 24/7 nutrition counseling channels, providing parents with science-based and transparent information.

# Better Choice – Personalized nutrition and diverse options

By 2025, Vinamilk serves consumers across 13 product categories with more than 250 nutrition products, covering the needs of infants, children with special nutritional requirements, pregnant and lactating women, the elderly, as well as specialized consumer groups such as people with diabetes or blood-sugar control needs, calcium supplementation, lactose or soy intolerance, and weight management.

Vinamilk's overarching commitment is to place community health at the center, delivering products that combine high quality, affordable pricing, and optimal nutrition for all ages and consumer segments, underpinned by an international-standard quality management system and a digitally enabled value-chain infrastructure.



Infant formula

Weaning cereals (infant complementary foods)

Adult milk powder

Fresh milk



Nutritional milk products

Plant-based milk

Fruit-flavored milk

Drinking yogurt



Yogurt

Sweetened condensed milk - Creamer

Beverages

Ice cream & cheese

# Nurturing every need, with care

Vinamilk’s 2025 portfolio is diverse and responsible, which raises health standards through life-stage nutrition and gut health solutions, while expanding healthier choices such as low-/no-sugar products and plant-based options. Through this approach, Vinamilk continues to care for every specialized consumer group, pursuing the goal of “one product – one commitment of care” for Vietnamese families.

## Sustainable & food safety commitments



Older adults

Clear and well structured nutrition labeling, tailored to the intended consumer groups; expanded cost-efficient pack sizes tailored for consumers with fixed incomes.



Consumers with food allergies and lactose intolerance

Personalized product development (high-protein, lactose-free).



Pregnant and lactating women

Safety-guided documentation aligned with local regulations and CODEX standards; portion guidance and allergy-risk counseling; clear warning information for unsuitable consumer groups.



Consumers requiring specialized nutrition or medical nutrition support

Disclosure of clinically substantiated evidence, where applicable; clear indication of target users, dosage, and contraindications; continuous monitoring of professional medical feedback.



Young children & children with special nutritional needs

Transparent labeling (HMOs, probiotics, age warnings); sugar-reduction strategies in yogurt and fermented drinks.



Vegetarians & weight-management consumers

Expanded sustainable choices (plant-based, reduced-sugar products); transparent disclosure of non-GMO grain sources; consumer education on balanced portioning.

# Better Access – Accessible, inclusive, and continuously listening to consumers

One of the clearest expressions of Vinamilk's commitment to "We change for you" is the company's proactive expansion and renewal of consumer engagement interfaces in 2025. Aspiring to become Vietnam's leading sustainable nutrition brand, Vinamilk not only improves its products, but also redefines how it connects with consumers, embracing a philosophy of multi-touchpoint engagement, multi-experience delivery, transparency, and respect for users.



## Diversifying Touchpoints – Bringing sustainable nutrition closer to every family

In 2025, Vinamilk recorded a strong transformation in its market-access ecosystem, achieving natural and close integration into consumers' daily lives through an extensive nationwide store network; supermarket chains, convenience stores, and traditional retail; the rapid growth of e-commerce across major platforms and the Vinamilk app; and interactive shopping formats such as livestream commerce with the participation of consultants and experts. These efforts are complemented by community-based experiential activities, nutrition education programs, multi-platform communications and trend-driven activation initiatives. Together, they form a consistent ecosystem of information, experience, and service, enabling consumers to access and choose safe, transparent, and responsible nutrition.

## Reaching the World – Spreading the value of vietnamese nutrition

Beyond the domestic market, Vinamilk continues to expand its sustainable consumption ecosystem through export growth. By 2025, Vinamilk products were present in 65 markets across five continents, bringing internationally standardized nutrition products infused with Vietnamese identity to the global stage. Product lines such as Green Farm, Optimum 6 HMO, high-protein yogurt, and plant-based offerings have been recognized in international communications as evidence of the sustainable innovation capability of Vietnamese enterprises. Market expansion thus represents not only commercial success, but also a growth strategy aligned with responsibility and the increasingly solid global positioning of Vietnam's dairy industry.

## Responsible Listening – Putting consumers at the center

Listening and translating feedback into action is the foundation upon which Vinamilk sustains the trust of millions of families. In 2025, Vinamilk engaged in more than **26,385 customer engagements** through hotlines, email, websites, social media, and online customer-care portals. Every feedback, from praise to inquiries or complaints, is treated as valuable data for improving products, services, and processes, forming a continuous improvement loop that links quality with experience and responsibility with consumer trust.

## Service Commitment – Consistent and uncompromised

Vinamilk maintains a customer response time within 24 hours, an average complaint resolution time of three days, 97% domestic customer satisfaction, and 100% export customer satisfaction. These indicators reflect not only operational capability, but also a corporate culture rooted in respect and consumer-centricity.

## Data Protection – Protecting consumers in the digital era

As consumer behavior increasingly shifts toward e-commerce, Vinamilk treats customer personal data as an asset that must be protected with the same rigor as consumer safety itself. All data are managed under internal codes of conduct and privacy policies; digital retail systems, applications, and websites are encrypted and strictly access-controlled; and operational procedures comply with international information-security standards such as ISO/IEC 27001. This approach ensures that all transactions remain transparent and secure, while reinforcing long-term consumer trust in Vinamilk.

# 2025 Key Product Indicators

**100%**

Factories certified to ISO 9001:2015 and FSSC 22000

**100%**

Domestic factories with laboratories accredited to ISO/IEC 17025

**100%**

Percentage of products without preservatives

**100%**

Percentage of products without genetically modified (GMO) ingredients

**0**

Number of food safety and hygiene violations

**0**

Number of product recalls due to quality or safety issues

**0**

Sale of banned or disputed products

**0**

Total number of non-compliance incidents related to product and service information and labeling, including voluntary requirements

**0**

Total number of non-compliance incidents (including voluntarily adopted standards and codes) related to health and safety impacts of products and services throughout their lifecycle

**0**

Total number of non-compliance cases with laws and voluntary codes on communication and marketing, including advertising, promotion, and sponsorship, by type of outcome

**0**

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

**0**

Total number of substantiated complaints regarding breaches of customer privacy and loss of customer data



Customer Satisfaction Index

**Domestic**  
**97%**

**Export**  
**100%**

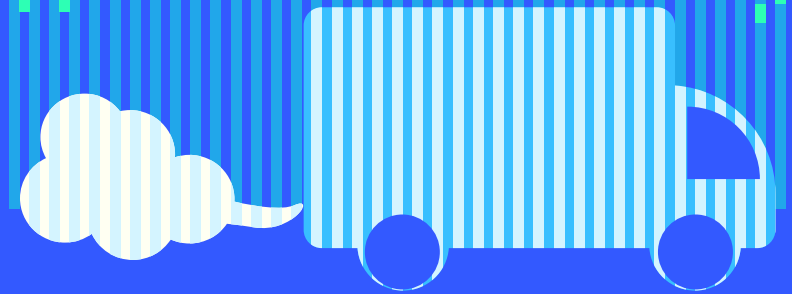
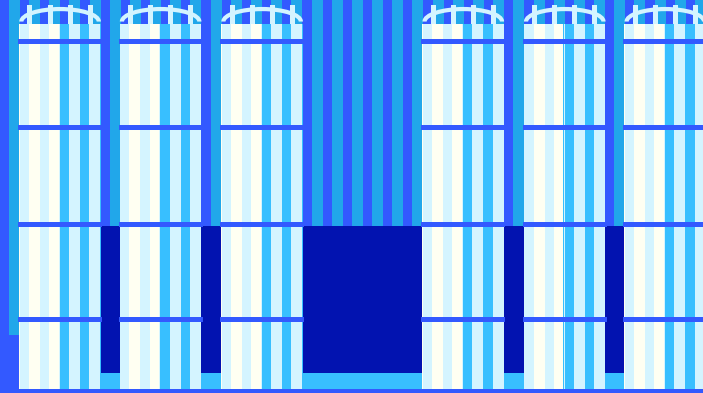


# GREENHOUSE GAS EMISSIONS

7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



# Greenhouse gas emissions

Committed to achieving net-zero emissions by 2050, Vinamilk has developed a science-based emissions reduction pathway with defined milestones to 2035 in alignment with SBTi (\*). We have built an integrated governance framework where commitments are translated into targeted actions across the value chain. By combining robust measurement, effective implementation, and transparent verification, Vinamilk seeks to reduce its carbon footprint while strengthening resilience and delivering long-term sustainable value for the environment and society.

(\*) The Science Based Targets initiative (SBTi) is a global corporate climate action organization that develops science-based standards, tools, and guidance to enable companies to set greenhouse gas emissions reduction targets aligned with pathways that limit global warming to 1.5°C and to achieve net-zero emissions no later than 2050.



# Commitment

# Implementation

# Impact

## Governance & Objectives

- An emissions governance system tailored to the dairy value chain and aligned with international standards.
- Commitment to Net Zero by 2050, guided by a science-based pathway in line with SBTi.

- Conduct greenhouse gas inventory across the entire value chain for the baseline year.
- Perform annual greenhouse gas inventories for Scope 1 and Scope 2 in accordance with ISO 14064-1:2018.
- Formally register science-based targets under SBTi, with quantified emissions reduction milestones through 2035 for Scope 1 and Scope 2.

100%

compliance with regulatory requirements on GHG inventory and emissions mitigation planning.

100%

manufacturing plants completed ISO 14064-1:2018 GHG inventories with independent verification.



100%

manufacturing plants achieved ISO 50001:2018 certification.

## Actions to reduce emissions

- Coordinated implementation of emissions reduction solutions across the entire value chain, with priority given to source-level reductions and resource efficiency improvements.

- Invest in biomass steam supply systems across all operating units.
- Accelerate the implementation of energy efficiency initiatives and solutions, while reducing the use of virgin plastics in packaging.

100%

of facilities have eliminated coal from direct heat sources.

Approximately

3,700 tCO<sub>2</sub>

across Scope 1 and Scope 2 emissions have been reduced through implemented initiatives.

## Transparency & Engagement

- Transparent sustainability data ensured through independent verification in line with international standards.
- Value chain collaboration to scale up emissions reduction, clean energy adoption and sustainable governance practices.

- Develop a roadmap for implementing the Dairy Sustainability Framework, integrating the principles of GRI, the World Benchmarking Alliance (WBA), the Sustainable Development Goals (SDGs), SBTi, and the Dairy Sustainability Framework (DSF).
- Maintain climate-related disclosures and participate in the CDP assessment annually.
- Implement carbon neutrality claims in accordance with international standards for eligible facilities.
- Organize and participate in community programs related to climate adaptation and green transition.

2

facilities achieved carbon neutrality certification under ISO 14068-1:2023 within the defined scope.

Complete climate disclosures and participation in the CDP assessment.

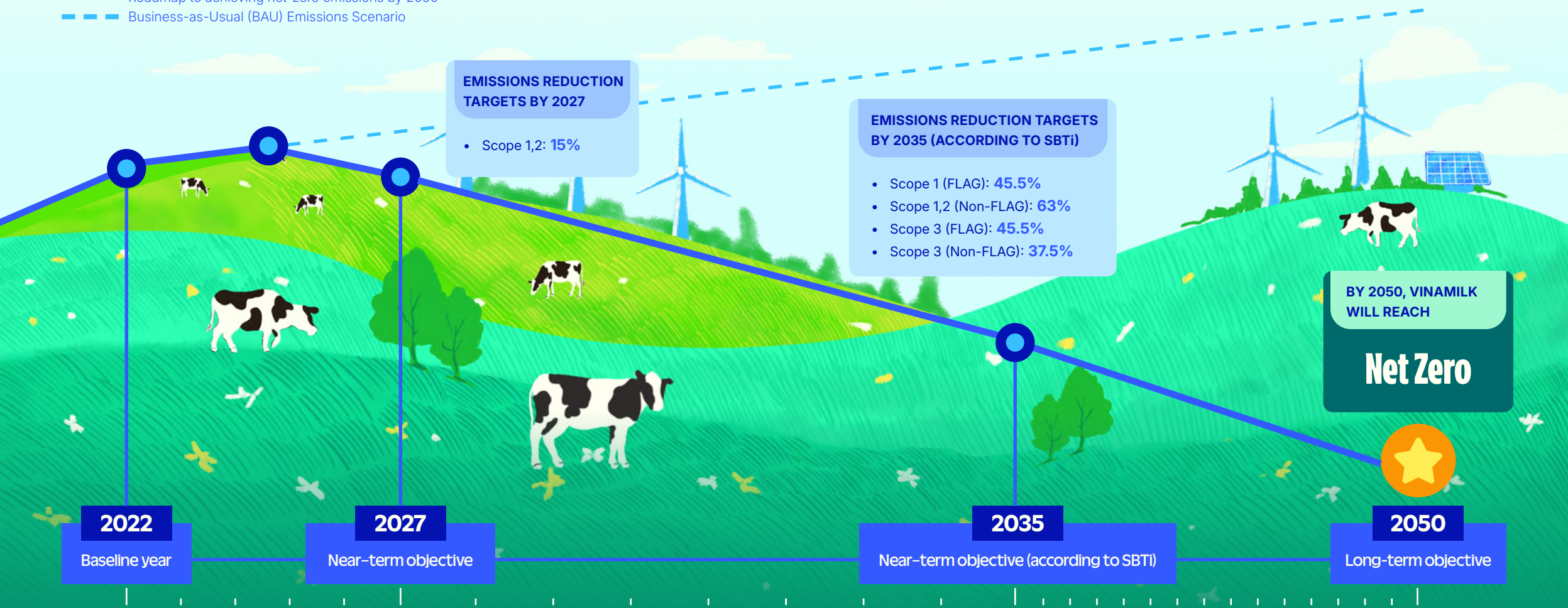


# Governance & Objectives

## Vinamilk and the path to Net Zero 2050

Based on the results of the Scope 1, Scope 2, and Scope 3 greenhouse gas inventory (\*) conducted across the entire value chain for the 2022 baseline year, Vinamilk has comprehensively identified its emissions sources, including both FLAG and non-FLAG categories (\*\*). Building on this foundation, in 2025 the Company established a Low-carbon roadmap aligned with the SBTi methodology and the 1.5°C scenario, providing strategic direction toward achieving its Net Zero objective by 2050.

— Roadmap to achieving net-zero emissions by 2050  
 - - - Business-as-Usual (BAU) Emissions Scenario



\*According to the definitions of the GHG Protocol accounting standard:

- Scope 1 refers to direct greenhouse gas emissions from sources that are owned or controlled by the organization.
- Scope 2 refers to indirect greenhouse gas emissions from the generation of purchased energy consumed by the organization.
- Scope 3 refers to other indirect greenhouse gas emissions that occur throughout the value chain, including both upstream and downstream activities and the product life cycle.

\*\* According to the definitions of SBTi:











- FLAG (Forest, Land and Agriculture) refers to emissions and removals related to forests, land use, and agricultural within value chain.
- Non-FLAG refers to all remaining emissions not related to FLAG activities (associated with energy and industry).

# Greenhouse gas emissions across the value chain

Vinamilk measures greenhouse gas emissions across the entire product life cycle, from farms and raw material supply chains, through processing plants and transportation, to consumer use and post-use treatment.

The Company's Net Zero journey is therefore designed around actions undertaken at each stage of the value chain, recognizing that emission reductions at any point directly contribute to the overall Net Zero objective.

## GHG Emissions Breakdown by SBTi Framework (Baseline Year Data)

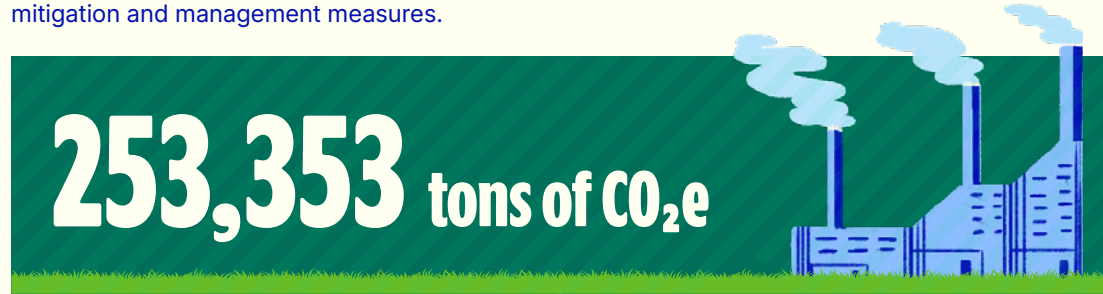
Emission Category	Scope 1 & 2 Non-FLAG	Scope 1 & 3 (FLAG)					Scope 3 (Non-FLAG)				
SUB-CATEGORY	 Energy and Industrial <b>9%</b>	 Milk <b>14%</b>	 Dairy Ingredients <b>29%</b>	 Non-dairy Ingredients <b>12%</b>	 Other <b>10%</b>	 Packaging <b>9%</b>	 Milk <b>3%</b>	 Dairy Ingredients <b>3%</b>	 Non-dairy Ingredients <b>2%</b>	 Other <b>9%</b>	
DEFINITION	Emissions associated with energy consumption and industrial activities at facilities under Vinamilk's operational control, including manufacturing plants, warehouses, distribution centers, the company fleet, etc.	Land- and agriculture-related emissions from the production of fresh milk at Vinamilk's farms and from suppliers.	Land- and agriculture-related emissions from suppliers' production of dairy ingredients such as whey, lactose, and milk powders.	Land- and agriculture-related emissions from suppliers' production of other ingredients such as fruit, sugar, vegetable oils, legumes, and other additives.	All other land- and agriculture-related emissions from suppliers' production activities, such as animal feed and canteen food, etc.	Emissions associated with energy consumption and industrial activities from suppliers' packaging production.	Emissions associated with energy consumption and industrial activities from suppliers' fresh milk production.	Emissions associated with energy consumption and industrial activities from suppliers' production of dairy ingredients such as whey, lactose, and milk powders.	Emissions associated with energy consumption and industrial activities from suppliers' production of other ingredients such as fruit, sugar, vegetable oils, legumes, and other additives.	All other emissions associated with energy consumption and industrial activities from other supplier-related sources, such as end-of-life treatment of products, Non-FLAG emissions outside Scopes 1 and 2, logistics, etc.	

## Summary of Feasible Emissions Reduction Activity Groups (Scopes 1 and 2) through 2035

Sub-Category	Phạm vi	Feasible Emissions Reduction Activities
Energy & Industry	Scope 1 & 2 (Non-FLAG)	Grid emission factor improvement; Energy efficiency improvement; Fuel switching; Renewable energy adoption; Transition to low-emission refrigerants.
Milk	Scope 1 (FLAG)	Land-use change; Feed composition adjustment; Feed additive optimization; Manure management optimization; Carbon removal/sequestration.

# Total Scope 1 and Scope 2 Emissions in 2025

In 2025, the Company continued to maintain comprehensive greenhouse gas inventory and emissions monitoring as a core management tool in its operations. This approach enables the clear identification of activities with significant emissions and supports the prioritization of appropriate mitigation and management measures.



Based on the baseline-year data independently verified by a third party for SBTi target submission, Vinamilk implements periodic emissions monitoring and analysis to ensure an accurate assessment of progress against its commitments.

Scope of emissions	Activity	Unit	Total emissions in 2022 (*)	Total emissions in 2025
Scope 1 (FLAG)	Farms	tCO <sub>2</sub> e/year	69,649	70,682
	Farms		8,980	5,915
Scope 1 (Non-FLAG)	Factories	tCO <sub>2</sub> e/year	56,908	38,031
	The Value Chain		7,647	7,930
Scope 2 (Non-FLAG)	Farms		102,292	101,240
	Factories	tCO <sub>2</sub> e/year	167,819	140,490
	The Value Chain		11,281	11,623
<b>Total emissions</b>		<b>tCO<sub>2</sub>e/year</b>	<b>281,392</b>	<b>253,353</b>

The year-on-year decrease is mainly attributable to:

- The industrial wastewater inventory methodology has been standardized by treatment stages and discharge characteristics.
- Improvements in the national power grid emission factor.
- From 2025, steam generation at Moc Chau Milk Factory has been fully converted from fossil fuels to biomass.
- Other energy efficiency and emission reduction initiatives.

(\*) Emissions data for 2022 have been adjusted in terms of emission sources to ensure comparability with 2025, in line with the reporting scope.

# Strengthening the Foundations for Sustainable Governance

## Legal compliance in emissions management and climate adaptation

The implementation of legal requirements on greenhouse gas inventories and facility-level emissions mitigation plans is not only a fundamental compliance obligation, but also a critical foundation for Vinamilk to strengthen its emissions governance system in a structured and consistent manner.

### 100% compliance with applicable legal requirements.

- ▶ Facility-level greenhouse gas inventory report

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- ▶ Facility-level greenhouse gas mitigation plan for the 2026–2030 period

## Applying international standards in greenhouse gas emissions governance

The Company is progressively standardizing its greenhouse gas governance through energy management, emissions inventories, and the establishment of science-based targets, thereby enhancing its capacity to monitor, control, and guide emissions reduction actions.

<b>Energy management</b>	<b>Emissions inventory</b>	<b>Science-based emissions reduction</b>
<b>ISO 50001:2018</b>	<b>ISO 14064-1:2018</b>	<b>SBTi</b>
<ul style="list-style-type: none"> <li>100% of factories achieved ISO 50001:2018 certification.</li> </ul>	<ul style="list-style-type: none"> <li>100% of factories completed GHG inventory compliant with ISO 14064-1:2018 and were independently verified.</li> </ul>	<ul style="list-style-type: none"> <li>Register SBTi-aligned Scope 1 &amp; 2 emissions reduction targets by 2035.</li> </ul>

# Actions to reduce emissions

Progressive innovation and continuous improvement

## 2025 Emissions reduction performance

Recorded

**25**

Energy-saving projects delivering significant emissions reductions

More than

**12**

VND Billion in energy cost savings

**4,123,059**

kWh of electricity saved

Reduced

**2.8%**

Energy consumption intensity of dairy products

Solar & biomass electricity account for

**25%**

of total electricity consumption

Biomass steam accounts for

**61%**

of total energy used

**22/27**

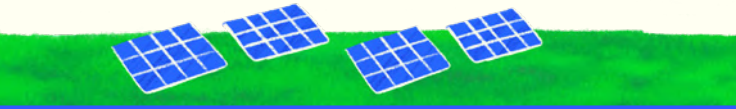
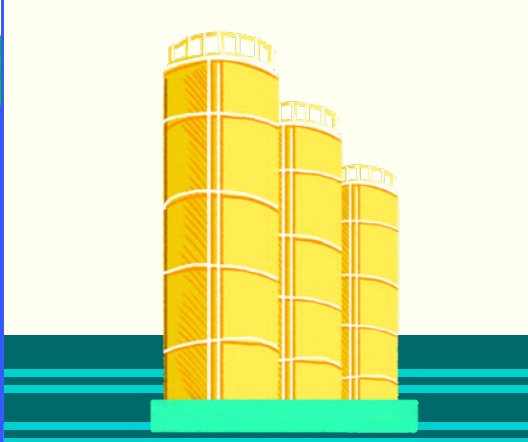
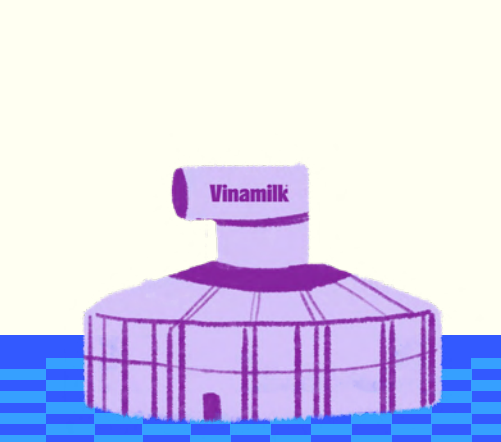

Factories & farms have installed solar PV & biomass electricity

**12/16**

Factories used biomass steam supply



In 2025, Vinamilk continued to implement a range of concrete emissions reduction initiatives across key value chain segments. Solutions were prioritized based on short-term feasibility and alignment with the Company’s emissions reduction roadmap. Several representative projects are highlighted below.

Farms	Factories		The value chain
<p><b>Solar thermal energy for farm sanitation hot water</b></p> <p>Vinamilk implemented a solar thermal solution to supply hot water for equipment cleaning and barn sanitation at its Tay Ninh dairy farm. This solution partially replaces grid electricity in daily operations, thereby reducing electricity consumption and associated energy costs. After one year of operation, the system recorded significant electricity savings and contributed to a meaningful reduction in greenhouse gas emissions.</p> <p><b>Approximately 278 tonnes of CO<sub>2</sub>e reduced (scope 2)</b></p>  <p><b>Pilot testing of probiotic feed additives to reduce Methane emissions from cattle enteric fermentation</b></p> <p>Initial results indicate positive potential for emissions reduction. The Company will continue to monitor and evaluate to further strengthen the measurement basis before considering scaling up the application in subsequent years.</p>	<p><b>Optimization of the cooling system in the drying process</b></p> <p>The Company focused on optimizing the operation of the cooling system to more effectively utilize the existing chilled water supply during the drying process. Adjustments to operating practices reduced the need for simultaneous operation of multiple cooling units, thereby lowering electricity consumption in production.</p> <p><b>Approximately 756 tonnes of CO<sub>2</sub>e reduced (scope 2)</b></p> 	<p><b>Improvement of spray dryer operating modes</b></p> <p>Operational improvements were implemented for spray dryers to reduce electricity consumption during the pre-production warm-up and system stabilization stages. The solution focused on adjusting operating parameters in line with actual production conditions, helping to minimize unnecessary energy use.</p> <p><b>Approximately 1,161 tonnes of CO<sub>2</sub>e reduced (scope 2)</b></p> 	<p><b>Eco-design projects</b></p> <p>In 2025, Vinamilk strongly advanced its eco-design initiatives, notably projects such as reducing the thickness of Probi bottles, shortening and thinning drinking straws, and introducing pull-tab caps. These initiatives have delivered significant benefits in reducing plastic waste. At the same time, eco-design solutions contribute to lowering greenhouse gas emissions across the value chain, by reducing material use and associated upstream and downstream emissions.</p> <p><b>Approximately 135 tonnes of CO<sub>2</sub>e reduced (scope 3)</b></p> 

# Transparency & Engagement

From verified actions to shared value

## Pioneering higher standards for carbon neutrality in line with ISO 14068-1:2023 (\*)

In 2025, Vinamilk became one of the first dairy companies in Vietnam to proactively upgrade its carbon neutrality certification from PAS 2060 to ISO 14068-1:2023 at Nghe An Dairy Factory and Vietnam Beverage Factory. This is the latest international standard that systematizes carbon neutrality management, requiring companies to prioritize real emissions reductions before implementing carbon offset measures.

*(\*) The data and the Qualifying Explanatory Statements (QES) of these units have been independently assured. The carbon offsets are recorded separately and are not directly netted off against the Vinamilk's total Scope 1 and Scope 2 emissions.*

With nearly **8,400 tCO<sub>2</sub>e** of independently verified carbon neutralization

Vinamilk not only meets stringent assurance requirements but is also helping set a higher "green" benchmark for Viet Nam's food industry on the pathway toward Net Zero 2050.

Nghe An Dairy Factory

Approximately **5,380 tCO<sub>2</sub>e** (certificate issued February 2025)

Viet Nam Beverage Factory

Approximately **3,020 tCO<sub>2</sub>e** (certificate issued May 2025)

## Transparency in Climate Action Through CDP Disclosure

Vinamilk has completed its assessment, evaluation, and disclosure cycle under the integrated platform of the Carbon Disclosure Project (CDP), reaffirming its commitment to transparency, consistency, and independent verification throughout its sustainable development journey. The disclosed information complies with CDP's latest comprehensive reporting framework, covering key material topics across the entire value chain, including climate change, water security, forest protection, and environmental impacts. This not only provides stakeholders, investors, and partners with an internationally recognized benchmark to monitor and compare Vinamilk's progress against its commitments, but also serves as a practical foundation for the Company to identify areas for improvement, thereby refining its climate response targets and solutions for subsequent cycles.



In the upcoming transition phase, Vinamilk will prioritize the digitalization of its environmental data platform. The integration of smart dairy farms, automated manufacturing systems, and data analytics algorithms will enable the Company to progressively achieve precise control over resource consumption and emission intensity. This will serve as a core driver for Vinamilk not only to meet disclosure requirements, but also to genuinely optimize operational efficiency, advancing toward substantive and sustainable development goals.



## Partnerships to Advance Sustainable Development

Vinamilk partners with national and international initiatives to promote green growth, innovation, and responsible consumption, contributing to the achievement of the Sustainable Development Goals (SDGs).

- Sharing at **the 17th Annual Global CSR & ESG Summit and Awards™ 2025**.
- Participated in **P4G (Partnership for Green Growth and Global Goals 2030)**.
- Organized the **"Connectivity Trip & Talk"** program with representatives from 17 leading companies across key industries.
- Joined the **"Green Vietnam"** campaign, participating in three flagship programs under the initiative.

## Raising awareness about Sustainability transition

We collaborate with reputable media outlets to share transparent information on Vinamilk's Net Zero initiatives, carbon neutrality efforts, and ESG practices, helping to strengthen public awareness and understanding of sustainable development.



**10** features on Net Zero and sustainable development were broadcast on VTV.

**12** articles on Vinamilk's operating models and green initiatives were published across

**70+** media channels

# WASTE MANAGEMENT

9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



13 CLIMATE  
ACTION



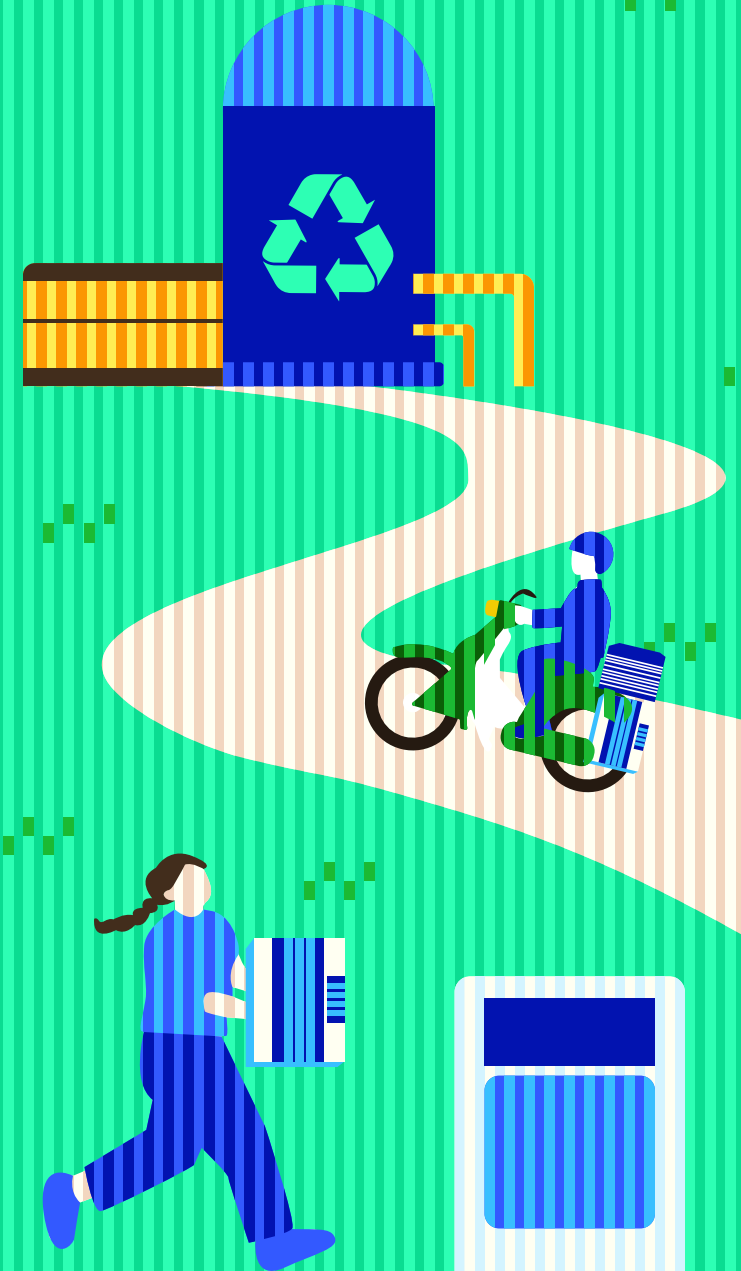
14 LIFE BELOW  
WATER



15 LIFE  
ON LAND



17 PARTNERSHIPS  
FOR THE GOALS



# Waste Management

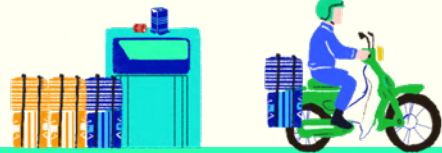
In the context of Viet Nam's accelerating green transition, businesses are increasingly expected to raise environmental management standards. Vinamilk considers waste management a core pillar of its sustainable development strategy. Beyond regulatory compliance, the Company proactively adopts international best practices and a circular economy approach to minimize waste generation, mitigate environmental impacts, and progress toward its Net Zero ambition.



## Commitment

### Process control

To ensure strictly compliant waste management, Vinamilk anchors all waste management activities in full adherence to environmental regulations, which the Company regards as a non-negotiable prerequisite.



## Implementation

- Classification, storage, transfer, and treatment of waste in full compliance with legal requirements
- Periodic environmental monitoring
- Fulfillment of Extended Producer Responsibility (EPR) obligations
- Environmental management systems aligned with international standards

## Impact

**100%**

compliance with regulations on solid waste management

**100%**

of factories and farms conducting periodic environmental monitoring

**100%**

fulfillment of Extended Producer Responsibility requirements

**100%**

of Vinamilk factories certified to ISO 14001:2015

### Circular economy orientation

To transition from end-of-pipe treatment to systemic circularity, the Company is steadily shifting toward a system-wide circular economy model.



- Deployment of the 5R framework (Refuse – Reduce – Reuse – Recycle – Recover) in combination with the ReSOLVE framework
- Application of eco-design criteria to all newly developed packaging
- Adoption of regenerative agriculture models, maximizing resource recovery from livestock operations

**75 initiatives**

implemented under the 5R & ReSOLVE program, saving more than

**VND 7 billion**

Approximately

**50 tonnes**

of virgin plastic reduced through eco-design projects

**100%**

of farms practicing regenerative agriculture to convert waste into resources

### Community engagement

To promote environmentally responsible lifestyles, Vinamilk engages in active dialogue and collaboration with surrounding communities.

- Ongoing dialogue with communities surrounding manufacturing facilities
- “Nice packs, recycled back” program in partnership with Lagom and Tetra Pak
- “Find Your R” awareness campaign across digital media channels

**100%**

of factories located in residential areas conducting regular environmental dialogue with local community representatives

**26 tonnes**

of beverage cartons collected (over six times higher than in 2024)

**500,000+**

engagements across communication platforms

# Process control

*Built on a foundation of legal compliance*

Compliance with environmental regulations constitutes the cornerstone of Vinamilk's waste management system. This commitment is implemented consistently across all stages: From waste segregation, storage, transfer, to environmental monitoring, operation of environmental protection facilities, and statutory reporting. Beyond internal operations, the Company further strengthens control at the post-consumption stage, prioritizing collection and recycling mechanisms in line with the applicable roadmap.

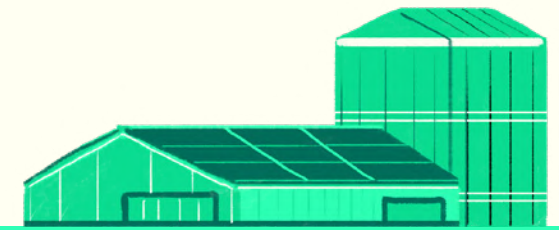
## Extended Producer Responsibility (EPR)

Aligned with the principles of the circular economy, Vinamilk adopts the approach whereby producers assume responsibility across the entire lifecycle of packaging, fully consistent with the Law on Environmental Protection and its guiding regulations.

Amongst the seven packaging material codes subject to Extended Producer Responsibility (EPR) recycling obligations in 2025, the Company proactively fulfilled its obligations through direct partnerships with specialized recyclers and by authorizing competent intermediary organizations for six out of seven codes. For certain materials, recycling volumes exceeded the mandatory thresholds, ensuring that post-consumer packaging materials are effectively collected and recycled into secondary raw materials. For composite paper

packaging, which presents significant technical challenges due to its complex multi-layer material structure, the Company discharged its 2025 obligation through financial contributions to the Vietnam Environment Protection Fund (VEPF), in full compliance with regulatory requirements. Vinamilk is actively collaborating with partners to finalize collection and recycling solutions for this packaging group, with implementation targeted for 2026.

In parallel with efforts to maximize recycling rates, the Company has fully met its financial contribution requirements for hard-to-recycle packaging to support waste treatment activities, underscoring Vinamilk's strong commitment to environmental protection objectives and corporate social responsibility.



# Circular economy orientation

A strategy in support of sustainable development

## 5R & ReSOLVE Program – Nationwide integrated deployment

In 2024, Vinamilk first implemented the ReSOLVE framework (Regenerate – Share – Optimize – Loop – Virtualize) in an integrated manner alongside the 5R principles (Refuse – Reduce – Reuse – Recycle – Recover). This approach aims to reduce emissions at source and embed circular economy principles into the Company’s core business operations. In 2025, the program was scaled across all factories and offices nationwide, encompassing initiatives focused on resource regeneration, efficiency optimization and waste reduction, reuse and recycling throughout the product lifecycle, process digitalization, etc. This marked a transition from strategic commitments to tangible, measurable outcomes.



Principles	Implemented key actions
Refuse	<ul style="list-style-type: none"> <li>Standardize assessment processes and eliminate the use of unsuitable materials</li> </ul>
Reduce	<ul style="list-style-type: none"> <li>Implement document digitalization and resource-efficient printing practices</li> <li>Optimize production parameters and manufacturing workflows</li> <li>Standardize intelligent warehouse layouts and management</li> </ul>
Reuse	<ul style="list-style-type: none"> <li>Reuse paper liners and cardboard materials in logistics operations</li> <li>Improve systems to enhance the reuse of production materials</li> </ul>
Recycle	<ul style="list-style-type: none"> <li>Repurpose and convert damaged or unusable items for alternative applications</li> </ul>
Recover	<ul style="list-style-type: none"> <li>Optimize water recovery for production activities</li> </ul>

**75** projects implemented 

More than **7 Billion VND** in savings generated from initiatives

## Eco-design – Advancing the sustainable packaging journey

More than a technical requirement, eco-design represents a core approach embedded throughout the entire product lifecycle - integrating environmental standards into every material choice, every gram of packaging reduced, every redesigned caps etc. Each incremental improvement in product packaging marks a meaningful step toward reducing environmental impacts across the entire value chain. The approach is articulated through four key criteria:

### 1 Resource-efficient design

Projects under this criterion focus on optimizing packaging design to reduce the amount of resources used per unit of product without compromising product quality or consumer experience.



#### The Probi Bottle Lightweighting Project

Applied to Probi 400 ml and 700 ml product lines, this initiative adopts Lightweighting technology to maintain packaging strength while significantly reducing plastic usage. The solution has been implemented across all production lines since Q1/2025, delivering positive impacts with more than 6 million bottles having reduced thickness.

The new optimized product designs have delivered the following positive impacts:

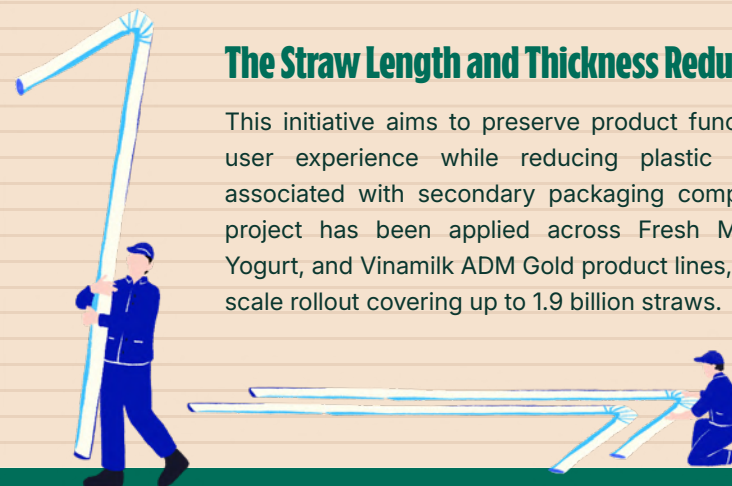
#### Environmental impacts

Approximately  
**48 tonnes**  
of virgin plastic reduced

**Reduced greenhouse gas emissions**  
across the product lifecycle

#### The Straw Length and Thickness Reduction Project

This initiative aims to preserve product functionality and user experience while reducing plastic consumption associated with secondary packaging components. The project has been applied across Fresh Milk, Drinking Yogurt, and Vinamilk ADM Gold product lines, with a large-scale rollout covering up to 1.9 billion straws.



#### Economic impacts

Reduced packaging material costs



## 2

## User-friendly design

Focusing on reducing small, hard-to-collect components, this design approach also simplifies user experience while minimizing the risk of packaging waste being improperly discarded.



### “Pre-cut Pull Tab” Cap Project – A continued strong momentum

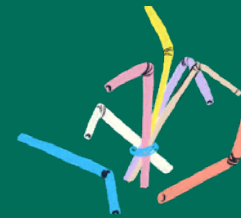
Guided by the ultimate goal of user-friendly design and reducing single-use plastics, the project team proactively collaborated with partners in Australia and New Zealand to pilot packaging innovations for the HDPE 80 ml sterilized drinking yogurt - one of Vinamilk's key export products. Replacing the conventional flat cap with a plastic straw, the pre-cut pull tab cap enables direct opening and consumption, fully eliminating plastic straws while aligning with sustainable consumption trends in international markets.

In 2025, the project recorded significant progress with notable results:

#### Environmental impacts

Approximately  
**4.5 millions** straws  
equivalent to  
**Reduced greenhouse gas emissions**  
across the product lifecycle

Approximately  
**1.7 tonnes** of plastic were eliminated  
(30 times higher than in 2024)



#### Economic impacts

- Meeting “Green” product standards, the initiative contributes to expanding Vinamilk's presence in premium export markets. The products are currently available through New Zealand's leading retail chains, Woolworths and Foodstuffs, reinforcing Vinamilk's positioning in environmentally conscious international markets.
- Recorded positive market feedback, with expectations for continued revenue growth in the following year.
- Strengthened Vinamilk's positioning in sustainable packaging innovation, creating a competitive advantage for expansion into premium global markets.

## 3

## Design based sustainable feedstocks

Prioritizes the use of packaging materials derived from renewable sources, while minimizing negative impacts on land use, and biodiversity.



#### Environment-friendly Tetra Top Packaging

Applied across the entire flagship Green Farm drinking yogurt product line, the Tetra Top packaging structure is designed to optimize resource efficiency. Nearly 40% of the packaging content is derived from renewable materials, reducing dependence on virgin plastics and fossil-based inputs. Notably, the material supply chain ensures transparency and responsible sourcing through compliance with FSC certification for sustainable forest management and responsible traceability.

## 4

## Design for recyclability

Selects materials that are highly compatible with existing recycling technologies, with the aim of enabling full regeneration of post-use packaging into high-quality secondary raw materials.

#### Water-based Flexo paperboard cartons

99% of Vinamilk's paper cartons utilize water-based flexographic inks as a replacement for conventional oil-based inks that are difficult to degrade. This transition enhances recyclability and contributes to lower greenhouse gas emissions across the product lifecycle.



## “Unlocking nature” through the application of Regenerative agriculture

Waste management serves as the starting point of regenerative agriculture, where each waste stream is transformed into a value stream to nourish the soil, conserve resources and ultimately move toward closed-loop material cycles across farms and raw material regions.

### Closed-loop Treatment System

- 100% of farms are equipped with closed-loop waste treatment systems, in strict compliance with environmental regulations.
- Cattle manure is automatically collected through mechanical scraping systems and transferred to centralized treatment areas.

### Organic Fertilizer Regeneration

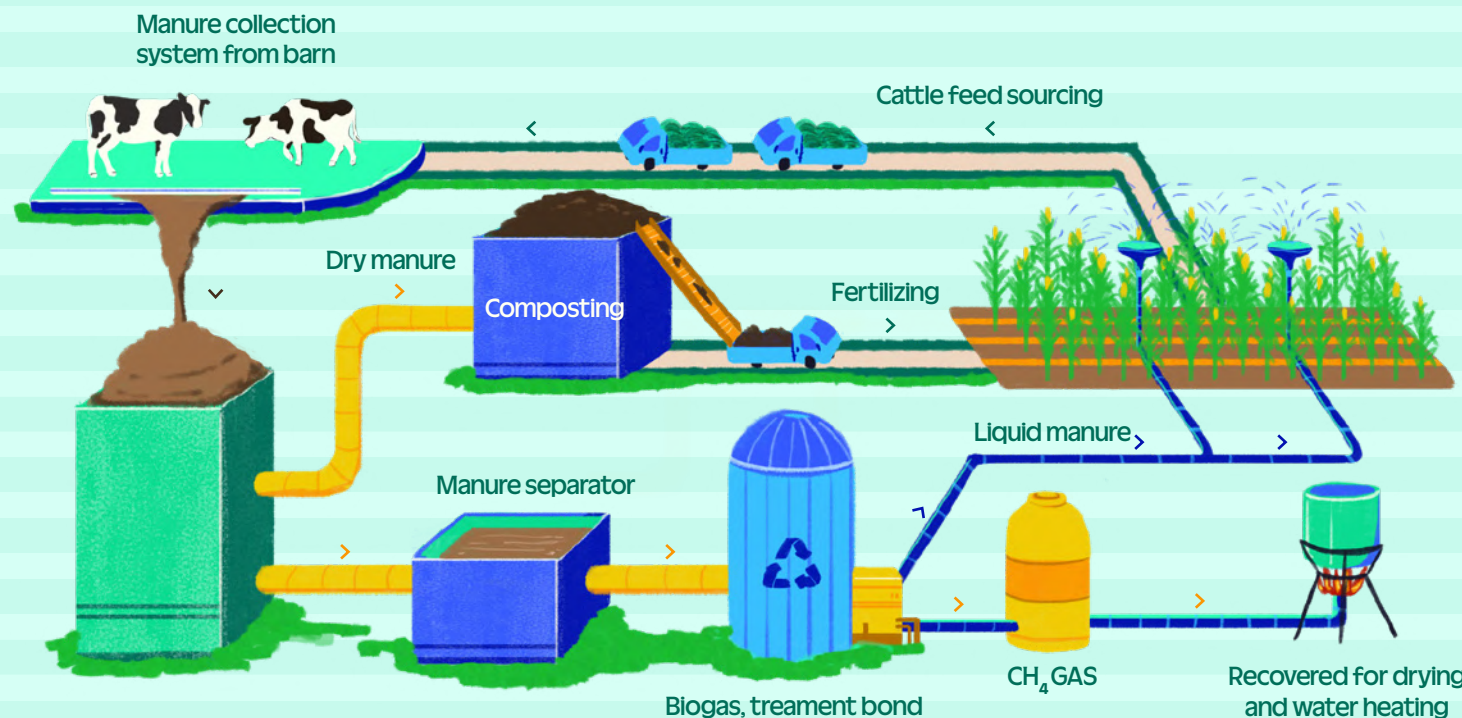
- Solid manure is recovered and processed through composting systems based on Japanese technology, producing high-quality organic fertilizer.
- The outputs improve soil fertility, reduce reliance on chemical fertilizers, and contribute to greenhouse gas emission reductions.

### Water and Energy Reuse

- Liquid effluent, after treatment via biogas lagoons and technical processes, is safely reused for irrigation and soil improvement.
- Biogas energy generated from the system is utilized for on-farm production activities, reducing costs and dependence on fossil fuels.

### Green Supply Chain Extension

- Treated organic fertilizer is supplied to farmers surrounding the farms to improve agricultural land quality.
- Technical farming support is provided, along with procurement of biomass maize cultivated on fields fertilized with organic compost - forming a broader ecological circular loop.



### Integrated impacts

#### ENVIRONMENT

- Reduced greenhouse gas emissions from agricultural waste.
- Improved soil nutrient levels and local groundwater conditions.
- Reduced odor generation and wastewater pollution in areas surrounding farms.

#### ECONOMY

- Reduced costs for chemical fertilizers, with biogas energy substituting for externally purchased energy.
- Strengthened security of feedstock inputs for livestock production.
- Contributed to securing a stable supply of forage feed (roughage) for cattle herds.

#### SOCIETY

- Supported local farmers in soil improvement and enhanced crop yields.
- Created sustainable livelihoods through cooperative agricultural procurement models.

# Community engagement

*Vinamilk extends our commitment to communities*

## Regular dialogue with local communities

The Company maintains structured and ongoing dialogue mechanisms with communities surrounding its manufacturing facilities - proactively creating opportunities to listen, acknowledge, and jointly address environmental issues arising from production activities. This approach reflects Vinamilk's commitment to transparency and corporate social responsibility beyond minimum legal requirements.

### 100% of factories located in residential areas conduct annual dialogue meetings

with local community representatives to capture feedback and ensure timely responses and resolution

### No community complaints

related to environmental impacts from Vinamilk's production activities were recorded in 2025

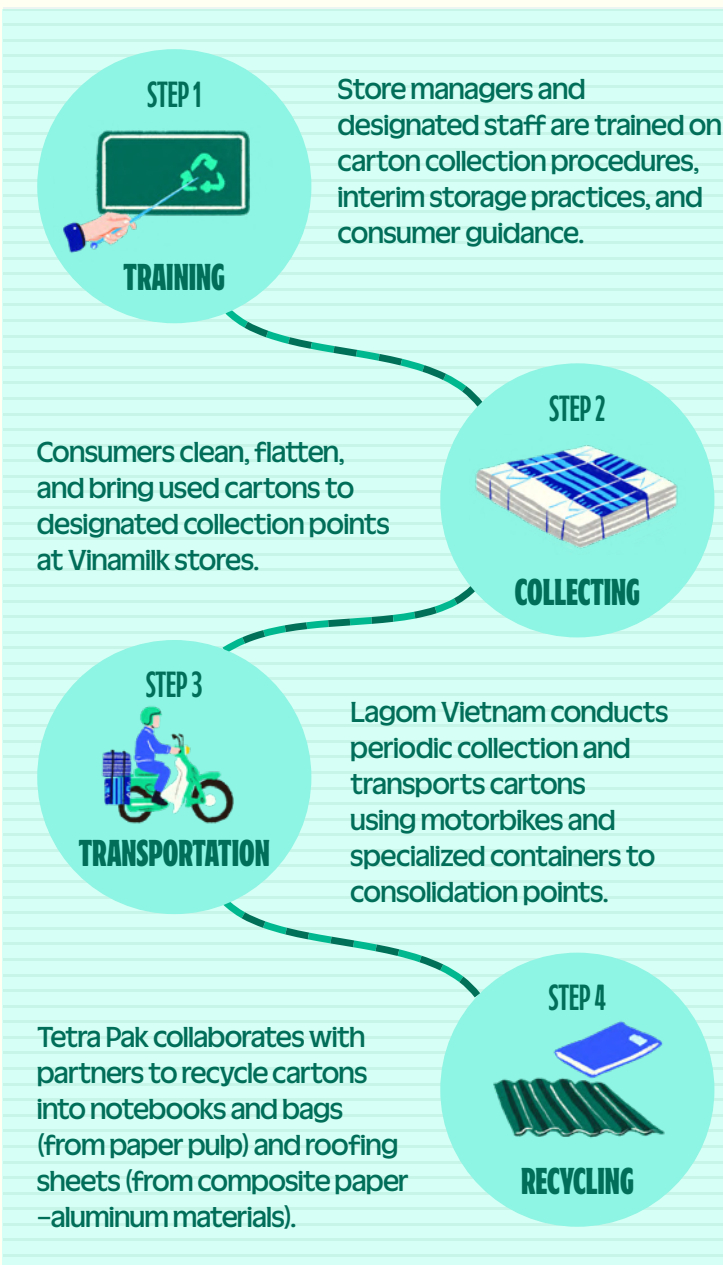


## “Nice Packs, Recycled Back” Programme

Launched in 2024 at Vinamilk stores in Ha Noi and Ho Chi Minh City, the “Nice Packs, Recycled Back” Programme is a post-consumer beverage carton collection and recycling initiative - implemented through a tripartite partnership between Vinamilk, Tetra Pak, and Lagom Vietnam. Instead of ending up in landfills, each used carton is “reborn” into practical products - reducing the burden on waste treatment systems while promoting responsible consumption behaviors. In 2025, the program expanded from two to five implementation locations, including Ho Chi Minh City (urban areas), Ba Ria-Vung Tau (Ho Chi Minh City region), Ha Noi, Da Nang, and Khanh Hoa.



### The recycling journey of a beverage carton



### 2025 Results - Exceeding Initial Expectations

After 8.5 months of implementation in 2025, the program recorded strong growth across all indicators:

**26 tonnes**  
of used cartons collected  
6 times higher than in 2024

**70**  
participating stores  
nationwide

**1,275**  
collection trips  
conducted in 2025

**500K+**  
audience reach  
across communication  
platforms

**100,000+**  
eco-friendly products  
produced from recycled  
materials



## Promoting a Green Consumption culture

According to a PwC survey published in March 2025, Vietnamese consumers are increasingly prioritizing environmentally friendly products, with 54% of respondents willing to pay up to 10% more for items made from sustainable or recycled materials. This trend is further reinforced by data from the Ministry of Industry and Trade, which reported an average annual growth rate of 15% in domestic demand for green consumption during the 2021–2023 period.

In this context, Vinamilk is strengthening its efforts not only in collection and recycling, but also in driving shifts in consumer awareness and behavior, particularly among younger generations. This is a long-term direction aligned with the Company's Net Zero 2050 roadmap, recognizing that the circular economy can only function effectively at a societal scale when consumption behaviors evolve.

### Key community engagement initiatives in 2025



The entire Vinamilk retail system, comprising nearly 1,000 stores nationwide, adopted environmentally friendly recycled shopping bags and encouraged customers to use cloth and woven bags - small actions generating multiplied impacts across millions of purchases annually.

COMPETITION

# FIND YOUR R

## SMALL ACTIONS FOR BIG IMPACT



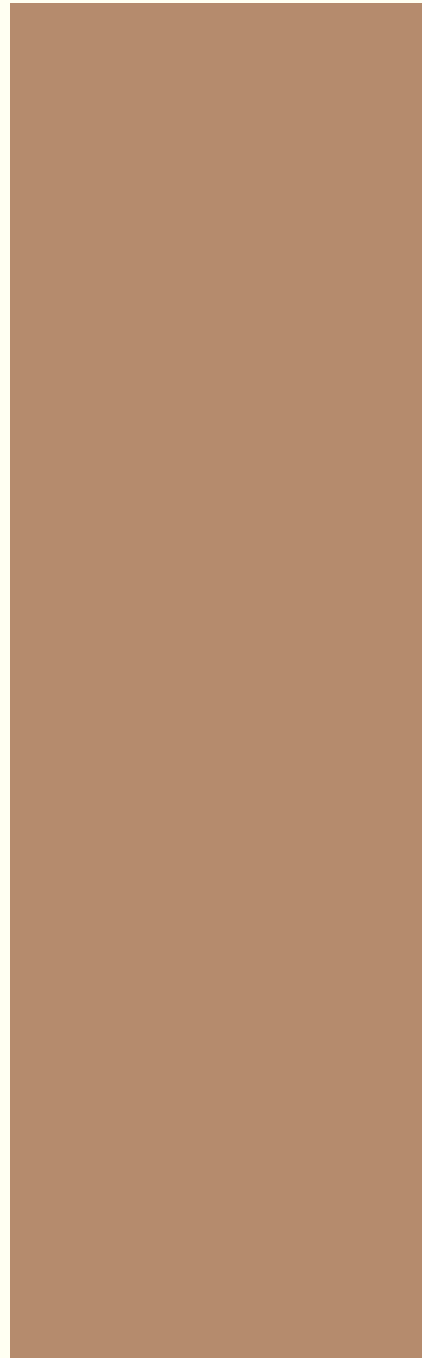

Implementation of the "Find Your R" campaign to encourage the community to practice everyday "R" actions such as Recycle, Reuse, Repair, and Rethink in daily consumption. Through the "Find Your R" competition, the campaign helped spread green habits and sustainability stories, achieving notable results:

- **Nearly 400 accounts** submitted green stories and actions to participate in the program.
- **10 outstanding entries** were selected and awarded.



Vinamilk Green Farm visits: Through initiatives such as Connectivity Trip & Talk and collaborations with student competitions at the University of Foreign Trade, these engagement activities enable experts, students, and consumers to directly observe regenerative agriculture models. The visits provide opportunities for participants to gain deeper insights into product inputs and enhance transparency across the "farm-to-table" value chain. Accordingly, dialogue and experience-sharing activities conducted during these visits are regarded as part of Vinamilk's broader efforts to raise awareness of responsible consumption and encourage the community to prioritize sustainable products and production models.

# SOIL NUTRITION, QUALITY AND RETENTION



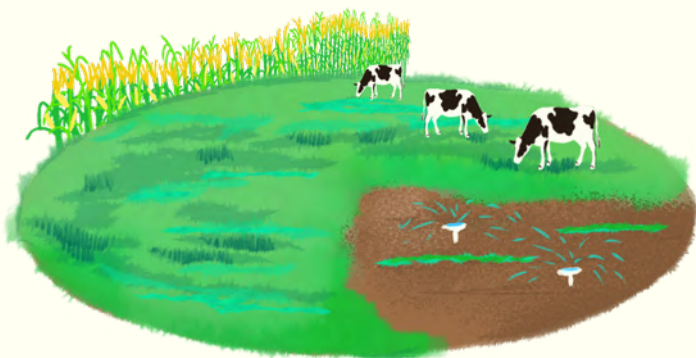
# Soil nutrition, quality and retention

Starting the White Revolution in 1991, we have remained steadfast in our commitment to optimizing Nutrition, Quality, and Soil Conservation, with the goal of transforming barren and arid land into large-scale regenerative agricultural ecosystems wherever Vinamilk conducts agricultural operations.



# Commitments

Effective plan management based on data



To apply regenerative agriculture practices to protect and enhance soil health, ensure a healthy soil ecosystem, and maintain natural soil fertility



# Implementation and Impact

Building a Sustainable Soil Health Data Platform.

Measuring and analyzing soil quality and nutrient status.

Developing soil nutrient management maps to monitor soil quality and support effective land management planning.

Applying the 4R Nutrient Stewardship System to manage soil nutrient balance, ensuring fertilizers are used at the right rate, right time, right place, and right source.

Controlling nitrogen inputs to ensure efficient nutrient use and environmental protection.

**21.4%** of farms have undergone soil health assessments, with a commitment to achieve full coverage (100%) by 2027.



Enhancing nutrient supply capacity, improving soil fertility, and increasing crop productivity.

Reducing soil erosion and land degradation

Enhancing soil microbial activity and biodiversity

Maintain year-round vegetative cover in the soil to reduce erosion and retain soil moisture.

Implementing crop rotation and intercropping with leguminous crops to naturally enhance nutrient availability and increase biodiversity.

Using cover crops (such as grasses) to improve soil structure, reduce erosion, and provide natural organic matter.

Limiting or eliminating tillage (No-Tillage or Reduced Tillage) to preserve soil structure, protect beneficial microorganisms, and enhance carbon sequestration.

Applying biological technologies for pest and disease control instead of using chemical pesticides.

**100%** of farms use well-composted organic fertilizers and liquid fertilizer from biogas systems.

# Commitments

To fully comply with European Union Organic Standards (EU Organic) for organic farming



# Implementation and Impact

Strictly managing Organic and Biological Fertilizers and Plant Protection Inputs

- No use of chemical fertilizers, chemical soil conditioners, or chemical plant protection products.
- Exclusive use of organic and bio-fertilizers from sustainable sources, such as well-composted manure, compost, and biological fertilizers.
- Application of biological pest and disease control products, ensuring safety for soil, crops, and ecosystems.
- All input materials are managed transparently, fully traceable, and certified in compliance with European organic farming standards.
- Pest and weed control is conducted using biological methods.

No use of chemical pesticides, herbicides, or chemical plant growth regulators.

- Utilization of natural enemies (e.g., lady beetles, parasitic wasps) for pest control.
- Implementation of crop rotation and selection of crops with strong weed-competitive capacity to minimize chemical intervention.

Seed Sources and Fully Natural Cultivation Practices

- No use of genetically modified organisms (GMOs) or chemically treated seeds.
- Priority given to crop varieties with natural resistance to pests and climate stresses, suitable for sustainable and organic farming systems.

Grass cultivation cycles are maintained for a minimum of five years without tillage.

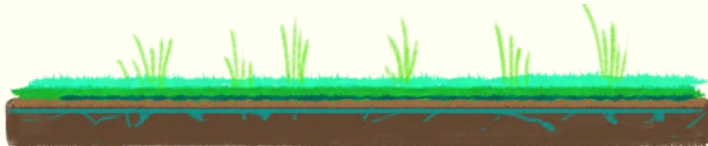
**65%** of the total cultivated area consists of annual crops

**35%** is permanent grassland.

The total area of natural grasslands across Vinamilk farms currently reaches

**629 hectares**

To strengthen water management and soil moisture conservation



Enhancing water infiltration and drainage, improving water retention, and increasing water use efficiency for crops.

Developing rainwater harvesting systems and natural water reservoirs to collect and reuse rainwater, helping to maintain soil moisture during the dry season.

Reducing dependence on groundwater extraction and promoting water recycling and reuse in agricultural production processes.

Adopt automation technologies (e.g. automated irrigation) to enhance water efficiency.

To integrate international standards on sustainable land use

Member of the Dairy Sustainability Framework (DSF)

Implementing sustainable livestock farming practices and certified under GLOBAL S.L.P (Smart Livestock Production).

Aligned with and committed to achieving SDG 15 – Life on Land.

## Soil health assessment and monitoring

Soil health assessment represents a foundational pillar in Vinamilk's sustainable agriculture strategy, supporting responsible land use, efficient nutrient management, and enhanced resilience to climate change impacts. Since 2025, Vinamilk has implemented a systematic soil sampling and analysis program across farms with self-managed cultivation areas. The program was initiated at Tây Ninh and has subsequently expanded to Đà Lạt and Laos. This initiative aims to establish a robust soil health baseline, enabling long-term, data-driven soil stewardship and supporting the company's commitment to environmentally responsible agricultural practices.

Key soil parameters monitored include physical and chemical soil properties, pH, electrical conductivity (EC), soil organic matter, macronutrients (Nitrogen, Phosphorus, Potassium – NPK), and selected secondary and micronutrients (Mg, Ca, Zn, Fe, Mn, Cu). Comprehensive assessments conducted by Vinamilk's technical experts ensure balanced soil nutrient management, promoting healthy crop growth, stable productivity, and consistent feed quality.

Based on analytical results, Vinamilk develops and maintains a centralized soil health database capturing soil characteristics, nutrient composition, and spatial nutrient distribution. These insights support the evaluation of nutrient balance and crop nutrient uptake efficiency. Fertilization strategies are designed in accordance with the 4R Nutrient Stewardship principles - right source, right rate, right time, and right place - tailored to specific ecological zones and crop types.

Soil health data are continuously monitored and integrated into long-term land management planning. This enables Vinamilk to identify soil quality trends, implement targeted soil conservation measures, enhance soil carbon sequestration potential, and contribute to the company's broader emissions reduction and climate mitigation objectives. Through these efforts, Vinamilk advances its commitment to building a green, resilient, and sustainable agricultural ecosystem for future generations.

## Reducing soil disturbance

Excessive soil tillage can damage natural soil structure, disrupt soil microbial communities, and increase carbon emissions to the environment. Recognizing these impacts, Vinamilk farms prioritize reduced-tillage and no-tillage practices, particularly in grassland management, to preserve long-term soil health and advance sustainable, environmentally responsible agriculture.

At Vinamilk, grass cultivation cycles are maintained for a minimum of five years without tillage. This practice helps preserve soil structure and creates favorable conditions for soil organisms to thrive. Reduced soil disturbance plays a key role in preventing erosion, minimizing surface runoff, and enhancing soil water retention capacity - benefits that are especially important under extreme weather conditions such as heavy rainfall or prolonged droughts.

The adoption of reduced soil disturbance practices also contributes to lower fuel consumption in mechanized operations and reduces carbon emissions from soil. At the same time, it supports the protection and stability of habitats for beneficial microorganisms and natural biodiversity within Vinamilk's grassland ecosystems. Through these practices, Vinamilk reinforces its commitment to sustainable land stewardship and long-term agricultural resilience.

## Production diversification

Diversifying production systems plays a critical role in reducing crop failure risks and enhancing resilience to climate variability. Vinamilk adopts an integrated farming approach that combines annual crops - such as maize and rice - with permanent grasslands dedicated to dairy farming. Key forage species include long-lasting, high-nutrient grasses such as Mombasa and Ruzi, ensuring a stable and nutritionally rich supply of fresh fodder for dairy herds.

Vinamilk's production structure allocates approximately



**65%**

of cultivated land  
to annual crops



**35%**

to permanent  
grasslands

creating a diversified and flexible farming system. This balanced land-use model supports soil nutrient equilibrium while enhancing system stability and long-term agricultural productivity.

Production diversification, combined with the selection of region-specific and ecologically appropriate farming practices, enables Vinamilk to optimize soil nutrient cycles, improve pest and disease control, and maximize the efficient use of available natural resources.



## Crop species diversification

Crop species diversification is a core principle of sustainable agricultural development. The adoption of crop rotation and intercropping systems involving multiple crop species - particularly leguminous crops that naturally fix nitrogen and enrich soil fertility - plays a vital role in restoring soil health while forming a resilient ecological shield that protects farmlands from environmental stresses.

Through enhanced plant biodiversity, Vinamilk farms have established natural nutrient cycling systems that effectively support pest and disease control, significantly reducing the need for plant protection products. Diverse crop systems help disrupt pest life cycles, improve soil nutrient balance, and strengthen overall farm ecosystem stability. A rich and diverse vegetative cover not only serves as a “green shield” protecting soil from erosion and degradation, but also provides essential habitats for beneficial microorganisms and insects. This biodiversity-rich environment supports soil biological activity and lays a strong foundation for the long-term health and resilience of soil ecosystems across Vinamilk’s agricultural operations.

## Integrated livestock farming and organic material circularity

In the circular agriculture model implemented by Vinamilk, livestock farming and crop production are closely integrated to establish a nutrient cycle, optimizing resource use and minimizing environmental impacts. All cattle manure is collected and treated through modern biogas systems and composting processes, then returned to farmland in the form of organic fertilizer and liquid digestate, replenishing crops with natural nutrients. Vinamilk farms apply this model through synchronously invested biogas systems, effectively reducing greenhouse gas emissions from raw manure and maximizing the reuse of livestock waste. Regular application of organic matter not only improves soil structure, enhances water-holding capacity, and stimulates soil microbial activity, but also increases natural soil fertility

and reduces reliance on chemical fertilizers. In practice, Vinamilk’s organic circular model has contributed to significant improvements in environmental performance indicators, supported long-term carbon sequestration in soils, and established a solid foundation for green, clean, and sustainable agricultural development across its entire farm system.

## Sustainable grassland management

Sustainable grassland management is a critical factor in maintaining forage productivity while safeguarding long-term soil and ecosystem health. Currently, the total area of natural grasslands across Vinamilk’s farms reaches 629 hectares, all of which are managed in alignment with the company’s ecological and sustainability-oriented agricultural approach.

One of the key practices implemented across Vinamilk farms is rotational grazing. This strategy reduces pressure on vegetation by allowing grazing areas to rest, recover, and regenerate naturally, thereby sustaining grassland vitality and long-term productivity. Farm teams regularly monitor pasture conditions and adjust grazing schedules in accordance with natural growth cycles. This approach minimizes soil compaction and erosion while enhancing soil moisture retention and overall grassland resilience.

In addition, Vinamilk invests in the enrichment of grasslands by introducing high-quality forage species such as Mombasa and Ruzi grasses, combined with rotational planting of different plant species to diversify feed sources for dairy herds. The application of organic fertilizers derived from biogas systems further improves soil fertility, creating favorable conditions for healthy grass growth.

Through systematic and science-based grassland management, Vinamilk ensures a stable, safe, and nutrient-rich supply of green forage for its dairy herds. Beyond their role in supporting animal nutrition, grasslands also function as a “green carbon sink,” absorbing and storing carbon while contributing to ecosystem restoration. These efforts reinforce Vinamilk’s commitment to sustainable agriculture, climate mitigation, and long-term environmental stewardship across its farming system.



# BIODIVERSITY

**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**13** CLIMATE  
ACTION



**14** LIFE BELOW  
WATER



**15** LIFE  
ON LAND



# Biodiversity

Healthy ecosystems play a critical role in maintaining soil quality, protecting water resources, improving crop productivity, safeguarding animal health, and enhancing the resilience of agricultural systems in the face of climate change. At Vinamilk, the protection and maintenance of biodiversity are regarded as a fundamental foundation for ensuring the stability, resilience, and long-term sustainability of its value chain. To this end, Vinamilk has identified three key action pillars for biodiversity management:

Assessing and  
managing  
biodiversity-related  
risks

Promoting  
regenerative  
agriculture  
practices

Conserving and  
restoring natural  
ecosystems



## Orientation

## Implementation & Impact

### Biodiversity risk assessment

- Standardizing and establishing a roadmap for biodiversity risk assessment based on a location-based approach, with actions prioritized according to material risks.

Identifying and managing risks affecting ecosystems, land, forests, and biodiversity across operational sites, with the objective of mitigating negative impacts and conserving natural values.

Integrating biodiversity risk management into environmental and agricultural management systems, land-use planning, environmental protection programs, and sustainability reporting processes.

Prioritizing the prevention of ecosystem degradation; conserving and restoring ecosystems in association with agricultural and industrial production activities.



### Development of regenerative agriculture models

- Promoting regenerative agriculture models to improve soil health, reduce greenhouse gas emissions, and build sustainable agricultural production systems aligned with a nature-positive and nature-aligned approach.

Adopting and aligning implementation approaches with international frameworks and standards, including GRI, CDP, the Kunming-Montréal Global Biodiversity Framework, and the Science Based Targets Network (SBTN).



Issuing and implementing a Sustainable Agricultural Production Practices Policy, detailing regenerative farming practices such as year-round soil cover, legume rotation and intercropping, cover crops, reduced/no tillage, biological pest control, and soil sampling and nutrient mapping.

Piloting and scaling the application of regenerative agriculture practices across farms and feed crop growing areas.



Improving soil fertility, enhancing water retention capacity, and promoting beneficial soil microbiota.

Enhancing crop productivity, increasing resilience to climate change, and reducing greenhouse gas emissions.

"Allowing land to rest for three years for recovery"; 500 hectares certified to EU Organic standards.

# Orientation

# Implementation & Impact

## Conservation and restoration of ecosystems

- Protecting natural habitats and reducing pressures on biodiversity at operational sites.
- Prioritizing Nature-based Solutions (NbS) at the farm and landscape levels.
- Restoring forest and mangrove ecosystems.
- Promoting awareness and strengthening engagement among employees, business partners, and local communities.

Issuance and implementation of a Biodiversity Policy, which stipulates: no hunting; no deforestation/no conversion of natural land; maintenance of ecological buffer zones, green biological hedgerows, and regulating ponds; biological pest control through natural enemies; and the creation of favorable habitats for native species, thereby reducing the risk of ecosystem degradation.

Conservation of low-lying wetlands to regulate water flows during rainy and dry seasons; planting native tree species and establishing biological corridors around farms; restoration of degraded areas.

“Net Zero Forest” Project at Mui Ca Mau National Park: target area of 25 hectares, implemented over the period 2023–2029, applying a “natural regeneration enrichment” approach. Result: After 2 years

The project is implemented in partnership with Gaia and Mui Ca Mau National Park with a total investment of

more than **37,500** mangrove trees (\*) were established

predominant height	and a density of
<b>&gt;100 cm</b>	<b>975 - 4,250 trees/hectare</b>

**4 VND Billion**

(\*) The recorded number of trees decreased while the predominant height increased compared with 2024, mainly reflecting the area's natural progression.

for assisted natural regeneration and community awareness raising. Employees participate in reinforcing seed trap fencing, monitoring tree growth, and conducting forest protection communication activities. Continuous monitoring, patrolling, and growth measurement are jointly maintained with partners throughout the project lifecycle.

Upon completion, the project is expected to sequester

**62,000 - 73,000 tCO<sub>2</sub>e**

equivalent to

**17,000 - 20,000 tonnes of carbon**



# Biodiversity risk assessment

## Advancing climate and nature goals through integrated solutions

Vinamilk recognizes that climate change mitigation and nature conservation are not separate objectives, but are deeply interconnected. Healthy ecosystems play a dual role by acting as carbon sinks while simultaneously providing essential ecosystem services that underpin sustainable dairy production. An integrated approach to climate and nature goals is reflected in the simultaneous implementation of decarbonization programs aligned with the Net Zero 2050 pathway, biodiversity conservation and restoration initiatives, sustainable land and water resource management, and the assessment of combined climate and nature-related risks.

In parallel, to achieve these goals, Vinamilk considers biodiversity as a fundamental risk factor that requires active monitoring and management throughout the operation of its farm and manufacturing systems. The Company conducts assessments to better understand the relationships between production and agricultural activities and the ecosystem conditions at each site. This approach enables the identification of potential risks related to environmental degradation, climate change, resource use, and the expectations of local communities.

These risk identifications serve as key inputs for environmental and operational management, supporting Vinamilk in prioritizing issues that require control and in defining site-specific measures aligned with local conditions. This approach enhances risk prevention, minimizes unintended impacts on ecosystems, and supports the long-term sustainability of the Company's production activities.

### United Nations

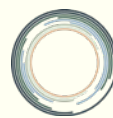


#### Paris Agreement 1.5°C Target

*Countries are required to implement mitigation actions to limit the global temperature increase to below 1.5°C.*



Kunming-Montreal  
**GLOBAL BIODIVERSITY FRAMEWORK**



**SCIENCE BASED  
TARGETS NETWORK**

Global Goals

### 2030

Increase the area of protected natural ecosystems, restore and ensure the conservation of natural ecosystems, biodiversity, and genetic resources. Promote the sustainable use of ecosystems and species, contributing to socio-economic development, improving livelihoods, and enhancing adaptive capacity to climate change.

### 2050

By 2050, natural ecosystems, rare species, and genetic resources will be restored, conserved, and effectively protected; ecosystems will be enhanced in quality and recognized for their economic value. Sustainable use of ecosystems will bring tangible benefits, contributing to biodiversity security, climate change adaptation, and sustainable national development.



National Targets

Implement international reporting requirements in line with DSF, CDP, and GRI standards.

Develop and implement transition plans. Vinamilk develops and implements a transition plan in line with the Net Zero and Nature Positive roadmap, focusing on the following key pillars:

- Reducing emissions in livestock farming and dairy production.
- Promoting sustainable agriculture practices and sustainable land management.
- Advancing circular economy and renewable energy solutions.
- Protecting biodiversity at farms and surrounding areas.

Assessing, committing to, planning, implementing, and monitoring progress.

Corporate  
Strategic Roadmap



RISK POTENTIAL IMPACTS ON VINAMILK PROPOSED ACTION PLANS	<b>1. Communication</b>	<b>2. Environmental pollution</b>	<b>3. Deforestation</b>	<b>4. Tropical storms</b>	<b>5. Extreme heat</b>
	Risk exposure in case of environmental incidents at farms or manufacturing plants; Increasing expectations for ESG transparency.	Sensitivity to wastewater, odor, and organic waste issues.	Some farms located near areas with high forest coverage.	Natural disaster risks in Central and Southern regions affecting feed security for livestock and physical assets.	Impacts on dairy cattle productivity and water quality.
	<ul style="list-style-type: none"> <li>Strengthen transparent communication;</li> <li>Disclose environmental data;</li> <li>Establish emergency response and rapid reporting procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance wastewater and waste control;</li> <li>Expand circular treatment solutions;</li> <li>Monitor air and water quality;</li> <li>Implement odor and organic waste control measures at farms.</li> </ul>	<ul style="list-style-type: none"> <li>Establish ecological buffer zones;</li> <li>Avoid conversion of natural forests or areas related to protected sites;</li> <li>Collaborate with local stakeholders on landscape conservation.</li> </ul>	<ul style="list-style-type: none"> <li>Develop proactive disaster preparedness plans;</li> <li>Increase feed reserves for livestock;</li> <li>Reinforce infrastructure to withstand storms.</li> </ul>	<ul style="list-style-type: none"> <li>Implement barn cooling solutions;</li> <li>Monitor temperature and humidity;</li> <li>Utilize heat-tolerant cattle breeds.</li> </ul>
RISK POTENTIAL IMPACTS ON VINAMILK PROPOSED ACTION PLANS	<b>6. Landslides</b>  Landslide risks at farms located in mountainous areas.	<b>7. Other critical and designated areas</b>  Farms located near sensitive biodiversity areas or protected sites.	<b>8. Land condition/ Soil quality</b>  Impacts on crop production and waste management.	<b>9. Changes in land, freshwater, and marine use</b>  Risks associated with farm expansion	<b>10. Forest fire risk</b>  Forest fire risks in the Central Highlands and South Central Coast.
	<ul style="list-style-type: none"> <li>Maintain vegetation cover;</li> <li>Plan and manage drainage systems;</li> <li>Apply bio-engineering stabilisation measures;</li> <li>Conduct seasonal geological monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct periodic impact assessments;</li> <li>Establish ecological corridors;</li> <li>Limit expansion into sensitive areas.</li> </ul>	<ul style="list-style-type: none"> <li>Apply smart fertilizer management;</li> <li>Increase the use of organic fertilizers;</li> <li>Monitor soil nutrients and quality indicators.</li> </ul>	<ul style="list-style-type: none"> <li>Comply with commitments to avoid conversion of natural forests or protected areas;</li> <li>Promote efficient water use;</li> <li>Conduct environmental impact assessments prior to project development.</li> </ul>	<ul style="list-style-type: none"> <li>Coordinate with local authorities on fire prevention;</li> <li>Maintain firebreaks;</li> <li>Manage vegetation around farm areas.</li> </ul>

# Developing regenerative agriculture models

Vinamilk is progressively adopting and transitioning technologies and agricultural practices toward regenerative agriculture across its farm system and feed-crop growing areas, with the objective of improving production efficiency while restoring and enhancing ecological functions within agricultural systems. This approach does not focus solely on productivity, but instead aims to build production systems capable of maintaining ecological balance, in which soil, crops, livestock, and natural organisms are managed and monitored as part of an integrated ecological system.

Farming practices are adjusted to optimize operational performance and promote resource efficiency through the adoption of new technologies such as automation, mechanization, and precision agriculture. These practices support ecological balance, enhance the resilience of agricultural systems to climate change and remain aligned with the practical operating conditions of each farm. The application of regenerative agriculture is implemented through a phased approach, based on periodic monitoring and assessment, with the goal of establishing stable farm ecosystems and sustaining production resources over the long term.

## Developing EU Organic-certified ecological farms

Vinamilk has proactively converted and rehabilitated land resources, including degraded, depleted, and previously unused areas, into ecological farms certified under EU Organic standards. To date, three (03) of Vinamilk's farms have achieved EU Organic certification, reflecting the Company's concrete and measurable commitment to nature-positive agricultural practices.

Organic farms operate without the use of synthetic chemical pesticides or inorganic fertilizers. The exclusion of synthetic inputs not only protects soil microbiota and groundwater quality, but also creates favorable conditions for the recovery and development of beneficial organisms, including pollinators and natural pest predators. This, in turn, contributes to the preservation and enhancement of biodiversity within farm areas.



# Conservation and restoration of freshwater and terrestrial ecosystems

Vinamilk places strong emphasis on protecting and maintaining natural ecosystems within and surrounding its farm areas, contributing to the conservation of local biodiversity. Green spaces, natural vegetation, and ecological buffer zones are maintained to provide habitats for native species. In parallel, water retention ponds and on-farm water bodies play an important role in regulating water resources, supporting freshwater ecosystems, and mitigating negative impacts from extreme weather conditions.

The preservation of these ecological elements enhances the adaptive capacity of farm ecosystems and creates a stable natural environment that enables multiple species to coexist and thrive.

## Forest conservation and development

Vinamilk implements sustainable forestry development initiatives aimed at mitigating climate change, protecting water resources, and conserving biodiversity.

The Company currently maintains a forest conservation project covering

**1,036 hectares** in **Xieng Khouang, Lao PDR**

where approximately

**650,000 trees** have been planted, with heights ranging from 2 to 10 meters



## Reviving the Ca Mau mangrove forest: Turning mudflats into a cradle of life

Across more than 25 hectares of tidal mudflats within Mui Ca Mau National Park, the Gaia Nature Conservation Centre, in collaboration with Vinamilk, has implemented a project focused on assisted natural regeneration of mangrove forests, allowing nature to restore itself through its inherent resilience.

As of April 2025, the forest comprises nearly

**37,500 trees**



with a canopy cover of

**21.7%**

including more than

**29,000 trees**

over one-year old demonstrating

Although still at an early stage of development, the forest has shown clear signs of ecological recovery. The aerial root systems of Avicennia species provide habitats for native aquatic organisms such as crabs, shrimp, and juvenile fish, while waterbirds increasingly frequent the area for foraging. Rhizophora species have begun to regenerate naturally, indicating the gradual re-establishment of ecological linkages within the mangrove ecosystem.

According to the Gaia Nature Conservation Centre, over the long term, the restored forest is expected to support habitats for a range of native and conservation-significant species, including otters, fishing cats, and reticulated pythons. In addition, the mangrove ecosystem contributes to coastal protection by reducing wave energy, mitigating erosion, enhancing sediment accumulation, and sequestering carbon dioxide. These ecosystem services play a critical role in strengthening climate resilience in the Mekong Delta, where climate change impacts are becoming increasingly severe.



# WATER RESOURCES AND WATER QUALITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND

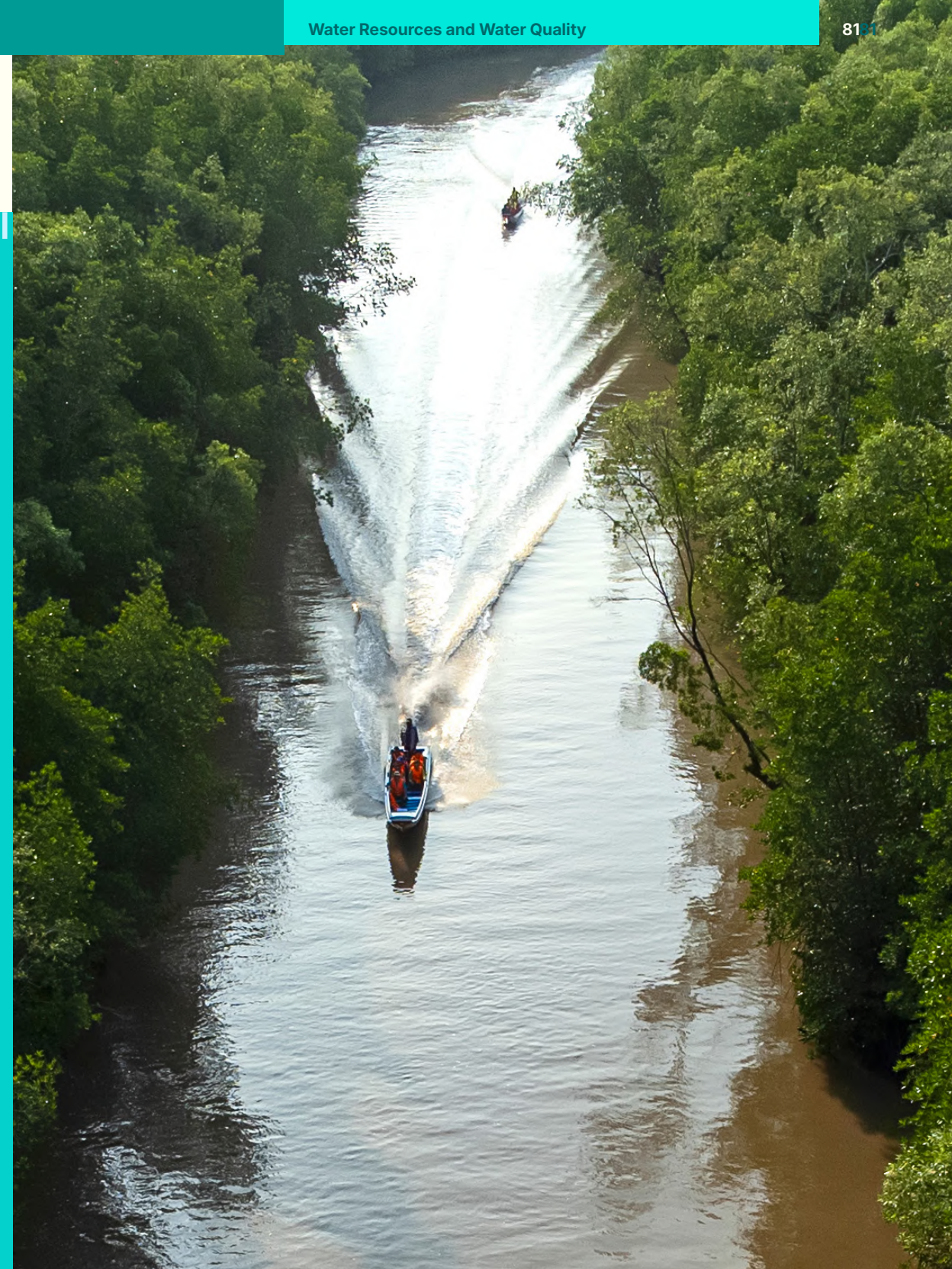


17 PARTNERSHIPS FOR THE GOALS



# Water resources and water quality

Water is an essential and irreplaceable input throughout the entire dairy value chain—from livestock farming to processing and packaging. With operations spanning multiple river basins across Vietnam and the region, Vinamilk fully recognizes that water-related risks are not only environmental challenges but also direct business risks, with potential impacts on production continuity, operating costs, and brand reputation. Accordingly, responsible water management has been identified as a core strategic priority for Vinamilk, adopting a holistic, end-to-end approach that integrates leadership commitment, on-the-ground implementation, and the measurement and transparent disclosure of tangible impacts.



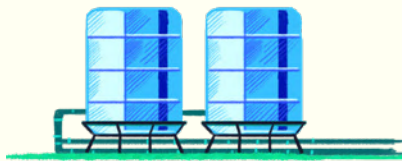
# Orientation

## Ensuring water security and operational continuity

Management based on compliance, data and risk prevention; International standard management system (ISO 14001)

## Promoting resource efficiency and reducing environmental pressure

Prioritizing efficient water use and reducing reliance on input water sources, particularly in water-intensive processes; Promoting water circulation and reuse.



## Strengthening resilience and stakeholder trust

Gradually strengthening resilience to droughts, floods, and water availability variability driven by climate change.

# Implementation & Impact

Maintaining production continuity and reducing operational and legal risks.

Managing and monitoring

**100%**  
of water sources

used at factories and farms.

In 2025, the water sourcing mix comprised

**33%** ground water  
**46%** municipal water  
**21%** surface water

Conducting regular monitoring of incoming water quality and treated wastewater discharge to ensure stable operations and full regulatory compliance.

Reducing the risk of production disruptions caused by water shortages through source diversification and the recovery and reuse of water in operations.

Reducing costs, lowering resource dependency, and easing pressure on local water sources.

Implementation of

**17** technical initiatives

across factories and farms, including Cleaning-in-Place (CIP) optimization, condensate recovery, cooling water control, and extended production cycles.

Achieved water savings of

**119,690** cubic meters

generating economic value of

**over VND 2.9 Billion**

Recovered and reused

**221,556** cubic meters

of water in production, reducing the demand for new water withdrawals.

Water intensity at farms increased by

**▲ 1.6%** compared to the 2022 baseline

Water intensity at manufacturing facilities

**▲ 0.21%** compared to the 2024 baseline

Strengthening corporate credibility and stakeholder confidence.

Effective control of discharge-related risks and compliance through environmental impact assessments, environmental permits, and the ISO 14001 environmental management system.

**100%** manufacturing plants certified under ISO 14001.

Reduced risks of environmental incidents and water-related reputational impacts in sensitive areas.

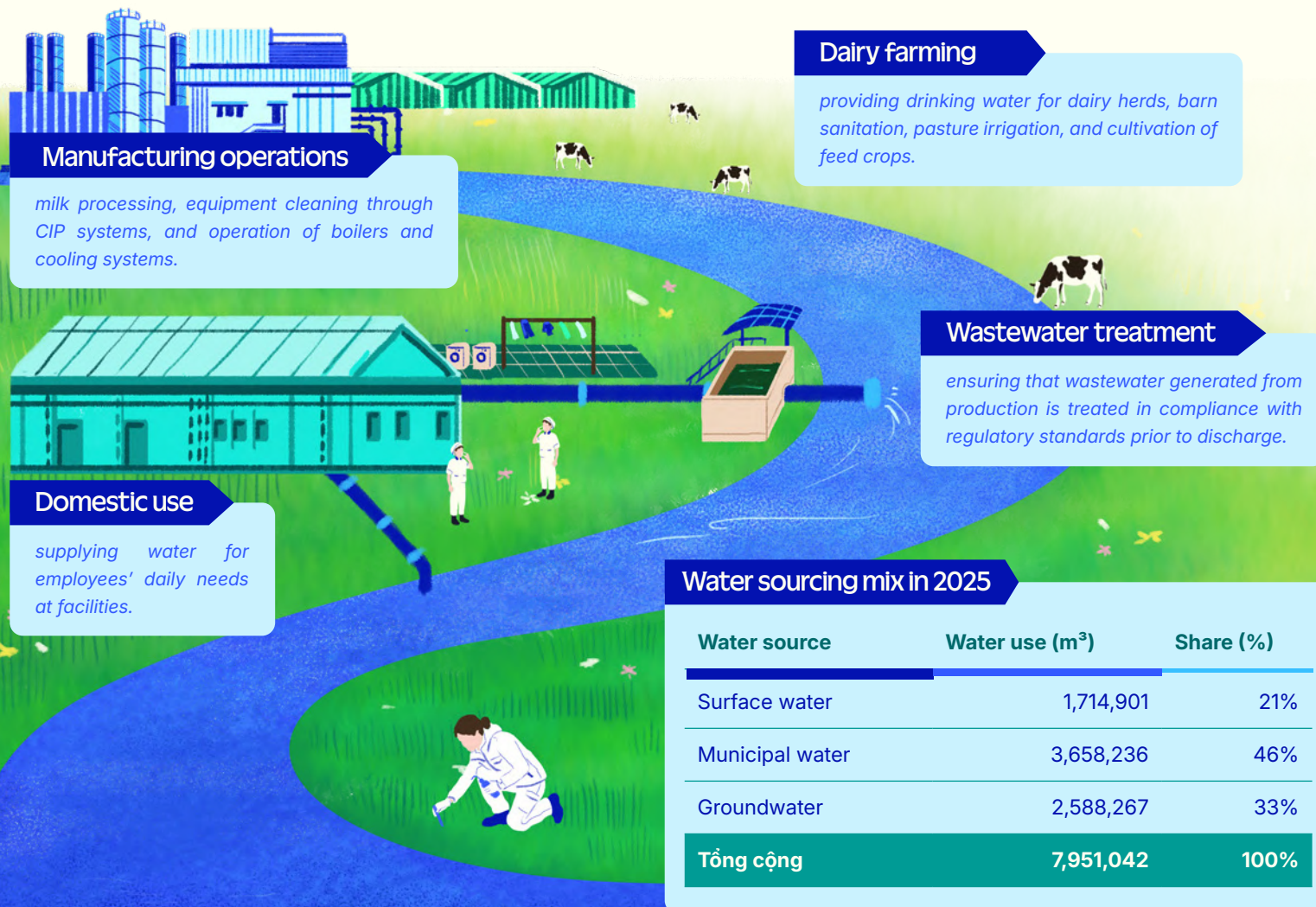
Establishing a foundation for transitioning from compliance-based management to proactive water management, enhancing resilience to climate change and meeting increasingly stringent ESG expectations.

# Ensuring water security and operational continuity

## The importance of water in Vinamilk's value chain

Water is a strategic resource across Vinamilk's dairy value chain and has a direct impact on the continuity of farm and manufacturing operations.

Water plays an essential role at every stage of Vinamilk's value chain, serving both as a key input resource and as an object of environmental management.



### Water sourcing mix in 2025

Water source	Water use (m <sup>3</sup> )	Share (%)
Surface water	1,714,901	21%
Municipal water	3,658,236	46%
Groundwater	2,588,267	33%
<b>Tổng cộng</b>	<b>7,951,042</b>	<b>100%</b>

## Identifying and managing water-related risks

Water management at Vinamilk goes beyond regulatory compliance and is gradually transitioning toward a proactive, risk-based approach, in the context of climate change which is intensifying extreme events such as droughts, floods, and the degradation of water quality.

Through stringent control of wastewater discharge risks and the consistent implementation of the ISO 14001 environmental management system, Vinamilk not only fulfills its environmental legal obligations but also minimizes the risk of environmental incidents and water-related reputational impacts, particularly in ecologically and socially sensitive areas.

Simultaneously, Vinamilk ensures transparency in its water management practices through regular disclosure in sustainability reports and ongoing engagement with regulators and local communities. These efforts help strengthen stakeholder trust and reinforce responsible water resource management across the value chain.



## Risk

## Impact on Vinamilk

## Proposed action plan

### 1. Legal and regulatory environment

Failure to timely identify and assess regulatory compliance risks may result in fines, license revocation, or suspension of operations, directly affecting production output and revenue.

- Conduct regular reviews of environmental legal compliance at operating sites.
- Ensure complete and timely environmental reporting.
- Collaborate with provincial People's Committees and Department of Agriculture and Environment of Ho Chi Minh City to provide input and participate in consultations on river basin water management planning.

### 2. Water scarcity

The dairy industry consumes significant volumes of water for sanitation, processing, and cooling. Water supply disruptions during the dry season may affect production efficiency and operating costs.

- Establish water intensity targets for the 2026–2030 period.
- Install monitoring and measurement systems and progress toward automation.
- Identify and implement water reuse initiatives.

### 3. Poor water quality

Poor water quality in certain river basins increases raw water treatment costs and the risk of non-compliance with wastewater discharge standards.

- Conduct regular monitoring of key environmental parameters.
- Provide training on wastewater treatment operations.
- Improve cleaner production processes to reduce pollution loads.
- Establish periodic operational audits of wastewater treatment systems and conduct daily rapid testing of key parameters to ensure compliance.

### 4. Drought

Drought conditions may affect water supply for dairy farms and processing plants, particularly in Tay Ninh and the Central Highlands. Four sites are identified as having a high drought risk, with dry-season disruptions becoming more frequent.

- Develop rainwater harvesting systems and retention ponds at drought-prone farms.
- Diversify water sources, including surface water, groundwater, and recovered water.
- Develop contingency water supply plans for the dry season.

### 5. Sensitive biological environments

Sites located near biodiversity-sensitive areas may face reputational risks if operations negatively affect aquatic ecosystems.

- Conduct biodiversity impact assessments at relevant sites.
- Implement good practices for managing material biodiversity aspects.

# Promoting resource efficiency and reducing environmental pressure

## Management and monitoring of incoming water sources

Vinamilk implements comprehensive management of incoming water sources to ensure stable, safe, and sustainable production operations. The Company applies stringent control measures across all water sources used at its factories and farms, with a focus on data transparency, regulatory compliance, and the protection of local water resources.



### Comprehensive control of water abstraction sources

Centralized source-based management: Vinamilk centrally manages all water sources, including groundwater, surface water, and water supplied from municipal systems. All abstraction points are duly registered, licensed, and monitored for withdrawal volumes to ensure compliance with permitted extraction capacities and to minimize impacts on local water reserves.



### Periodic monitoring of water quality and availability

Monitoring activities are conducted across all factories and farms to track key parameters of incoming water quality and discharged wastewater. Monitoring results are regularly updated and used as a basis for evaluating the effectiveness of existing wastewater treatment systems, as well as for supporting timely improvement decisions when irregularities are detected.



### Water abstraction reporting and regulatory compliance

Vinamilk fully complies with water abstraction reporting and monitoring requirements under the Law on Water Resources and relevant regulations. All abstraction records, monitoring data, and permits are centrally managed and periodically reviewed to ensure continuous compliance, transparency, and readiness for inspections by competent authorities.



## Efficient water use and consumption reduction

In 2025, Vinamilk sets an ambitious target: To reduce water intensity per unit of product compared to the selected baseline year. This represents the next step in the Company's continuous pathway to reducing water consumption intensity year by year, reflecting its growing commitment to sustainable development.

Category	Baseline year	2025 target	2025 result
Farms (water intensity per ton of product)	2022	▼ 5%	▲ 1.6%
Manufacturing plants (water intensity per ton of product)	2024	▼ 2%	▲ 0.45%

The increase in water intensity in 2025 was primarily driven by enhanced livestock sanitation to improve raw milk quality and the expansion of cultivated areas to secure a stable and green roughage supply.

### In manufacturing operations

Analysis indicates that this change did not result from inefficient water use, but was primarily driven by operational factors, including shifts in product mix, suboptimal batch sizes driven by order structures, and fluctuations in seasonal production planning and weather conditions. In addition, increased pilot production, new product development, and trial operations contributed to a higher share of fixed water consumption per unit of output.



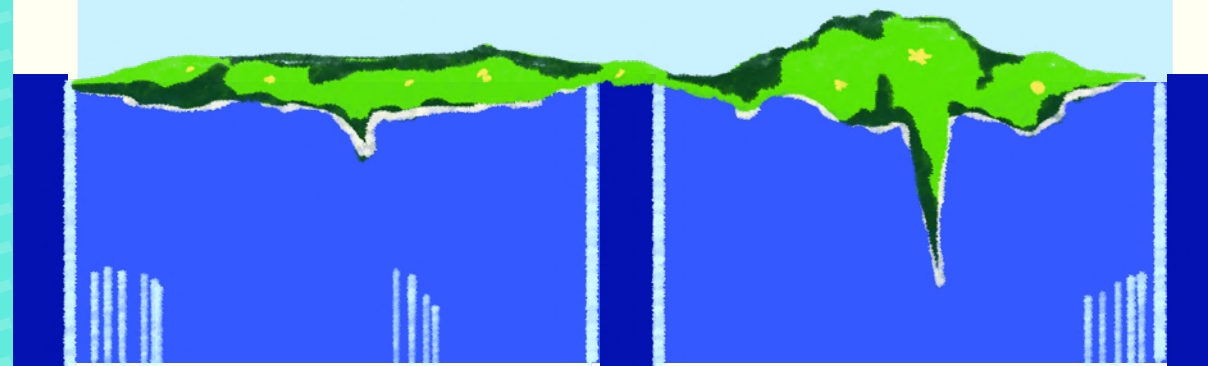
Based on this analysis, Vinamilk has identified significant potential for further improvement through the coordinated implementation of priority measures across manufacturing operations. Improvement efforts focus on optimizing CIP cycles in line with actual operating conditions, increasing batch sizes to optimal levels to reduce the proportion of fixed water consumption, and enhancing the efficiency of water recovery and reuse in auxiliary and production processes.

The concurrent implementation of these measures not only helps control upward pressure on water intensity amid production variability, but also supports Vinamilk in continuing to improve water-use efficiency in a sustainable manner in the next phase.

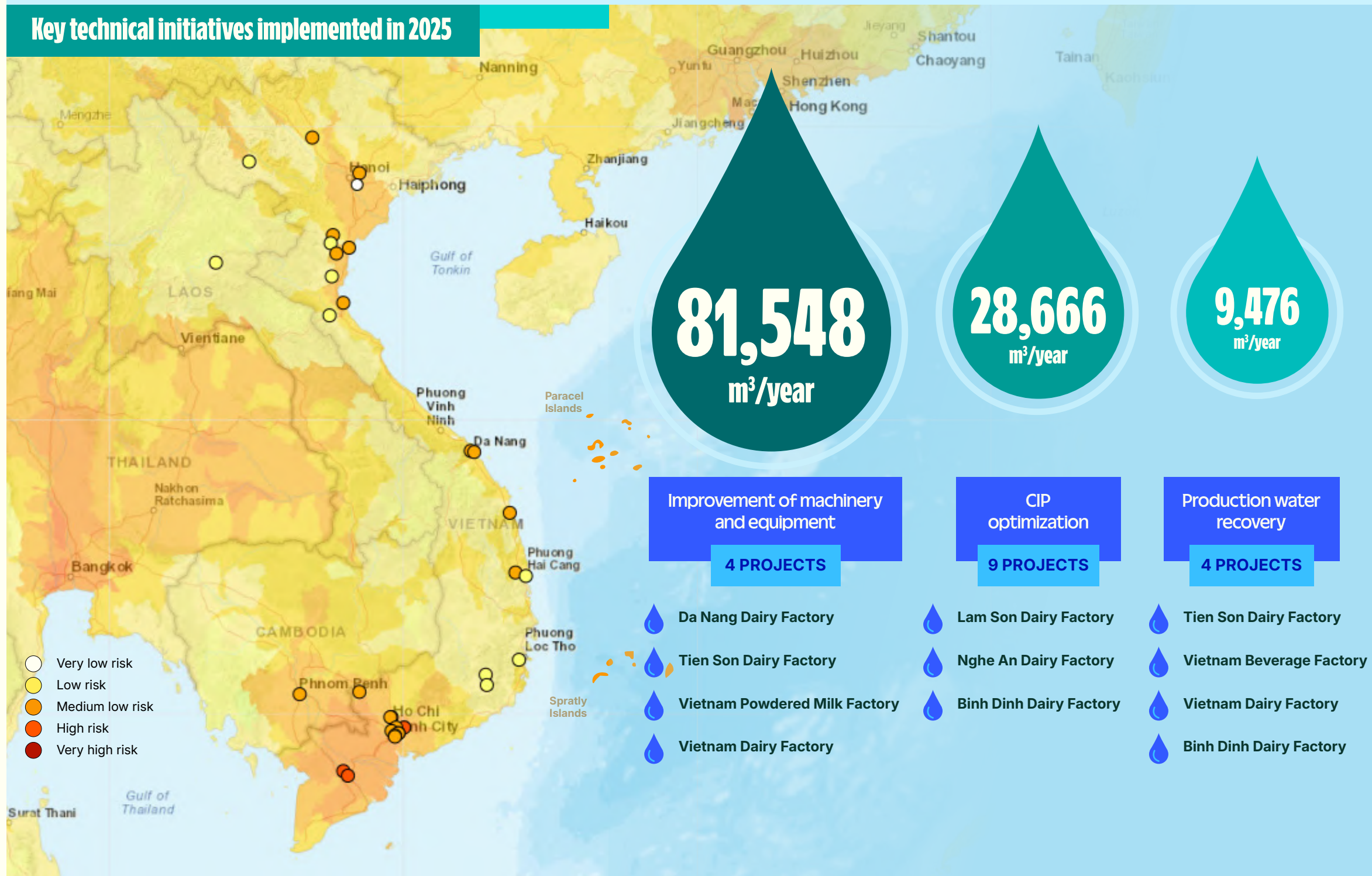
The percentage of water recycled and reused in production activities reached

**4.39%**

achieved through various technical measures such as **the recovery of condensate water, cooling water, heat-exchanger water, hot water, and boiler blowdown water**. These initiatives contribute to optimizing water use in production, reducing freshwater intake, and minimizing wastewater generation, thereby gradually enhancing the effectiveness of water resource management at production facilities.



## Key technical initiatives implemented in 2025



## Case study

### Cooling water control for pump mechanical seals - Da Nang Milk Factory


#### Context:

In certain production stages, cooling water supplied to pump mechanical seals was configured based on initial operating settings and had not been optimized to reflect actual operating conditions.

#### Solution:

Cooling water flow rates were adjusted through the installation of appropriate control valves aligned with equipment technical specifications. The solution was supported by systematic monitoring and measurement conducted before and after implementation to evaluate and verify water-use efficiency improvements.

#### Results:

Achieved water savings of  **77,750 m<sup>3</sup>/year**  
representing the single largest water-saving initiative implemented in 2025.

### Condensate Water Recovery - Binh Dinh Milk Factory


#### Context:

Condensate water generated from plate heat exchangers was originally discharged into the wastewater treatment system under initial operating configurations, despite its potential for reuse.

#### Solution:

Condensate water generated from plate heat exchangers was originally discharged into the wastewater treatment system under initial operating configurations, despite its potential for reuse.

#### Results:

Achieved water savings of  **7,300 m<sup>3</sup>/year**  
equivalent to **160,600,000 VND/year**

# ANIMAL WELFARE

**2** ZERO HUNGER



**3** GOOD HEALTH AND WELL-BEING



**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



# Animal Welfare

Vinamilk regards animal welfare as a fundamental pillar of its dairy farming operations, with a direct link to herd health, milk quality, and the stability and efficiency of farming activities. Based on the Good Dairy Farming Practices issued by the Food and Agriculture Organization of the United Nations (FAO) and the Five Freedoms of Animal Welfare standard, Vinamilk has progressively adopted the Five Domains Model, with a focus on integrated management of physical health, natural behaviors, and aspects related to the animals' mental states at an appropriate level.

Through its system-wide [Animal Welfare Policy](#), Vinamilk continuously reviews and enhances animal welfare governance, with key priorities including strengthening preventive health risk monitoring, gradually incorporating data-driven assessment of animal behavior, and ensuring alignment with international reporting requirements as well as practical conditions in Viet Nam.



# Commitments Implementation and Impact

## Nutrition

Ensure the provision of adequate feed and nutrition in accordance with the cows' requirements at each stage of growth, development, and production.

### Calf nutrition

Calves are housed in individual pens and are fed colostrum from their dams to establish natural immunity. Subsequently, calves continue to receive pasteurized fresh milk using dedicated equipment (MilkTaxi) until weaning.

### Optimized ration formulation

Total Mixed Ration (TMR) diets are formulated using specialized software, including RationAll (Israel) and ATMS (USA), to fully meet the nutritional requirements of cattle at each stage of growth and development.

### Feed standards

Feed complies with the GLOBAL S.L.P./EU Organic management system standards and is fully traceable.

### Feed bunk management

Feed is regularly pushed and leveled to ensure easy access for cattle, using robots and specialized machinery. Individual feed intake is monitored and managed through dedicated software (Dinamica – Italy).

### Body condition management

Body Condition Score (BCS) is assessed monthly to adjust nutritional programs in accordance with each stage of growth, development, and production.

### Feed access management

After returning from the milking area, cows have free access to fresh feed. During feeding, the natural closure of the teat canal while cows remain standing helps reduce the risk of mastitis.

**100%** No Growth Hormones – No Tail Docking – No On-Farm Slaughter at Vinamilk Farms



## Physical environment

Ensure a safe, comfortable living environment that is aligned with the cows' natural behaviors and physiological needs.

### Housing system

Designed as an open freestall system with natural ventilation and outdoor exercise areas to allow cows to move freely. Barn roofs are insulated with three-layer roofing sheets to reduce heat radiation from direct sunlight.

### Barn floors and resting stalls

Each cow has an individual resting stall equipped with soft rubber mats or biological bedding. Cows are free to move, access feed, and rest comfortably.

### Cooling system

All barns are equipped with fans and an automatic cooling system operated based on the Temperature Humidity Index (THI) to reduce heat stress, supply fresh air, and enhance cow comfort.

**100%** No use of antibiotics for growth promotion purposes

### Milking area

The milking area is well-ventilated and hygienic. Each cow has an individual milking position and is identified, exposed to music, and provided with udder massage to enhance comfort during milking.

### Equipment system

Facilities and equipment are designed and managed to prevent injuries during movement and activity, in compliance with Global S.L.P. standards.

### Barn hygiene

The farm uses an automatic manure scraping system to maintain dry, clean, and hygienic barn conditions.



# Commitments Implementation and Impact

## Health

Manage herd health with a preventive approach, minimizing disease risks and ensuring timely treatment when necessary.



## Behavioural interactions

Respect and enable natural behaviors, while reducing fear and stress among the herd.



## Mental state

Maintain a positive and stable mental state for the herd.

### Genetic improvement

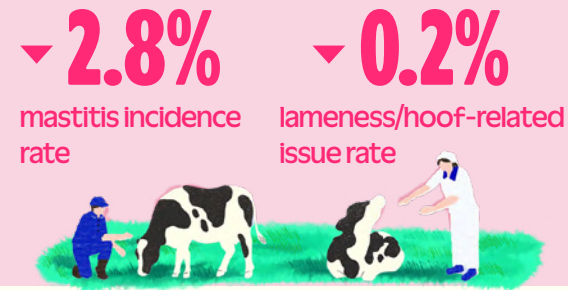
Selection of cattle breeds and semen sources with superior genetic traits for resistance to specific diseases such as mastitis, lameness, and calving difficulties is applied for breeding across Vinamilk farms.

### Herd health management

Estrus and health conditions of each individual cow are continuously monitored using electronic chips. Data are collected in real time through specialized software systems such as SCR (Smart Cow Recognition), DelPro, and Pharma Deluxe, enabling timely health alerts and prompt interventions based on effective treatment protocols.

### Biosecurity

Protective barriers are established to safeguard the herd, with strict control over personnel, materials, and vehicles entering and exiting the farms. Newly introduced cattle groups are monitored and segregated as required. Sanitation, disinfection, and biosecurity procedures are implemented for barns to minimize disease risks.



### Proactive disease prevention

Vaccination programs are developed and implemented proactively, tailored to regional epidemiological conditions to prevent disease outbreaks.

### Milking process

Cows are milked using an automatic milking system in compliance with good milking hygiene practices. Milk flows through a closed pipeline system and is rapidly cooled to 2–4°C. Smart sensors monitor milk flow and yield of each cow and automatically adjust the milking rhythm to prevent teat damage.

### Access to feed and water

Feed is continuously available at the feed bunk, allowing cows to freely access and consume feed according to their needs. Automatic water trough systems ensure cows have ad libitum access to clean, fresh, cool, and safe drinking water.

### Safe transport and movement

Controlled cattle movement procedures are implemented to minimize slipping, collisions, and fear, ensuring safe and low-stress handling.

### Herd behavior

Cows are managed in groups based on age and production characteristics, with access to outdoor exercise areas and natural daylight, enabling the expression of natural herd and social behaviors.

### Freedom of movement within barns

The open-barn design with natural ventilation and appropriately selected equipment allows cows to move freely without risk of injury during movement and daily activity.

### Animal-friendly environment

A livestock-friendly environment is fostered to ensure cows are cared for, handled gently, and treated as companions, supported by regular training and capacity building for farm staff.

**100%** Non-GMO –  
No Genetic Modification –  
No Cloning

### Positive mental state

By optimizing key domains including nutrition, living environment, health, and behavior, Vinamilk helps create conditions that enable cows to maintain a positive mental state, reflected in calmness, good adaptability, and the expression of natural behaviors.

### Improving physical comfort for dairy cows

Barns feature automatic massage brushes for cow comfort and natural behavior, plus a cooling cycle (4 minute ventilation – 1 minute water spray) and a 30-minute pre-milking shower.

# WORKING CONDITIONS AND HUMAN RESOURCE DEVELOPMENT

1 NO  
POVERTY



2 ZERO  
HUNGER



4 QUALITY  
EDUCATION



5 GENDER  
EQUALITY



8 DECENT WORK AND  
ECONOMIC GROWTH



10 REDUCED  
INEQUALITIES



# Working conditions and human resource development

At Vinamilk, people are recognised as a core foundation for strengthening competitiveness and sustaining long-term growth. Operating within a large-scale production environment, with an extensive network of factories and farms across multiple countries and geographic regions, and supported by a diverse workforce, the Company places a strong emphasis on workplace stability and the adaptability of human capital. These elements are critical to maintaining consistent quality standards, ensuring occupational safety, enhancing operational efficiency, and safeguarding business continuity across all operations.



# Commitment

## Respect for human rights

To respect and protect workers' rights; promote equality and non-discrimination; and comply with internationally recognized labor and human rights standards.



# Implementation

- Implements and enforces a Human Rights Policy Statement and a Code of Conduct as the core elements underpinning the Company's governance framework.
- Actively integrates Diversity, Equity and Inclusion (DEI) principles into human resource policies and key processes, including recruitment, performance management, training, and employee development.
- Establishes and maintains confidential, accessible, and non-retaliation grievance mechanisms, ensuring employees can raise concerns safely and without fear of reprisal.
- Rolls out regular training and internal communication initiatives to enhance employee awareness of labour rights, ethical standards, and responsible workplace conduct.

# Impact

**29.8%**

of management positions from department head level upward are held by women.

**66%**

of management positions from senior management level upward are held by local personnel.

**0%**

cases of discrimination were recorded.

**0%**

violations of labour rights were identified.

## Occupational health and safety (OHS)

To prioritize occupational health and safety as a core and ongoing commitment, striving to create a safe working environment through risk prevention and continuous improvement.

- Operates an Occupational Health and Safety (OHS) management system aligned with internationally recognised standards, including ISO 45001 and SMETA requirements.
- Manages OHS activities through a unified governance framework based on the Company's internally defined 12 core OHS management elements, ensuring consistent implementation across operations.



**100%**

of employees are covered by the Occupational Health and Safety (OHS) management system.

**0**

internal complaints related to occupational health and safety were reported.

**14**

business units are certified to ISO 45001

**04**

business units apply SMETA requirements.

Rate of work-related ill health

**0.11**

Rate of work-related injuries

**0.07**

## Commitment

### Harmonious labor relations

Ensure stable employment; foster harmonious labor relations based on respect for employees' lawful rights and legitimate interests; enable employees' voluntary participation in representative organizations; and implement grassroots democracy regulations in the workplace.

## Implementation

- Organises Employees' Conferences and maintains workplace dialogue mechanisms.
- Respects freedom of association and the right to collective bargaining in accordance with applicable laws and regulations.
- Conducts timely consultation and notification in the event of significant changes that may affect employees.
- Receives and responds to employee feedback through appropriate channels.
- Implements grassroots democracy regulations in the workplace as a governance framework for dialogue, consultation, and employee participation.

## Impact

# 82.6%

of employees are engaged under open-ended labor contracts.

# 100%

of employees are members of the Company Trade Union. (\*)

# 100%

of employee feedback and grievances are received and resolved in accordance with internal procedures.

# 100%

of employees participate in collective bargaining agreements.

### Sustainable human capital development

To invest in workforce capability development; build a robust succession pipeline; and sustain long-term operational effectiveness.

- Implements targeted programmes to attract and develop young talent, strengthening the Company's succession pipeline and long-term workforce sustainability.
- Executes a long-term human capital development roadmap linked to innovation, organisational resilience, and adaptive capability in a changing business environment.
- Operates a transparent and performance-based appraisal system that supports effective performance management and informs employee development and career progression.
- Strengthens sustainability-related training and internal communications, embedding sustainability principles into daily operations and decision-making.

# 712

training programmes were delivered, totalling (\*\*)

# 326,000

training hours. (\*\*)

# 100%

of employees underwent performance evaluation. (\*\*)

Onboarding satisfaction rate reached (\*\*)

# 92%



## Commitment

### Enhanced working conditions and comprehensive employee welfare

To ensure appropriate working conditions, fair remuneration, and comprehensive employee welfare, supporting employees' well-being and fostering long-term engagement and retention.

## Implementation

- Standardises policies on remuneration, bonuses, benefits, and working conditions, ensuring fairness, competitiveness, and internal consistency.
- Ensures compliance with regulations on working hours and rest periods, while implementing measures that support work-life balance.
- Designs multi-generational benefits frameworks and implements employee engagement programmes to promote employees' physical well-being, mental health, and overall quality of life.
- Applies digital platforms, modern working tools, and process automation solutions to streamline administrative procedures and enhance the overall employee experience.

## Impact

Average income exceeds the Living Wage benchmark and the statutory minimum wage applicable to Region I (reference).

**100%**

of employees are covered by extended health insurance. (\*)

**100%**

of employees returned to work after maternity leave. (\*)

**55%**

of employees have more than 10 years of service tenure. (\*)

Employee turnover rate stood at (\*)

**8.2%**

The scope of data includes Vinamilk (including affiliated units), the Vietnam Dairy Association, Thong Nhat Thanh Hoa Dairy, Moc Chau Milk, and VietSugar Milk Factory.

Note:

(\*) Scope is calculated for Vinamilk only (including affiliated units).

(\*\*) Scope is calculated for Vinamilk, Vietnam Dairy Association, and Thong Nhat Thanh Hoa Dairy.



# Respect for human rights

At Vinamilk, human rights are addressed through a risk management and organisational sustainability lens. Core labour rights principles are standardised through the Human Rights Policy and the Code of Conduct, which are being progressively and consistently implemented across the system and serve as the foundation for the design and operation of human resource policies. Vinamilk maintains a clear and firm stance against forced labour, child labour, and discrimination, while respecting freedom of association and the right to collective bargaining. To support effective implementation, the Company establishes confidential and non-retaliation grievance mechanisms, ensuring that employees are able to raise concerns and report emerging issues without increasing risks to themselves or to the organisation.



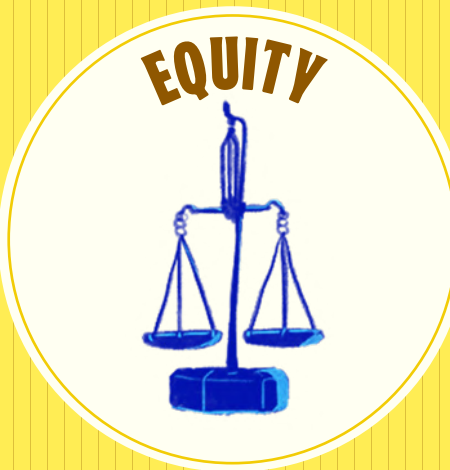
## Respect for differences, diversity and equality

Vinamilk implements Diversity, Equity and Inclusion (DEI) principles through multiple, context-specific approaches, closely aligned with operational realities and focused on areas that may present risks of inequality in human resource management. Building on this foundation, the Company continuously applies and integrates DEI practices throughout the employee lifecycle

and into corporate culture development. DEI is regarded as a practical human capital management tool, supporting the identification and mitigation of inequality-related risks, improving decision quality, and strengthening brand reputation and ethical standards, thereby contributing to Vinamilk's long-term sustainable development.



Respects and values the presence of human differences, including but not limited to gender, age, ethnicity, cultural background, and individual capabilities.



Ensures fair access to appropriate conditions and opportunities, while actively removing systemic barriers, so that all individuals have an equal ability to develop and thrive.



Fosters an environment in which every individual feels respected, heard, and empowered to contribute meaningfully.

## Protecting personal data in the digital era

Amid an increasingly deep digital transformation, Vinamilk places strong emphasis on protecting employees' personal data through the operation of an Information Security Management System certified to ISO/IEC 27001 and compliance with Personal Data Protection. These measures safeguard employees' privacy and reinforce trust in human capital governance.



### Transparency and Purpose Limitation

Employee personal data are collected and processed based on informed consent, strictly for clearly defined work-related purposes, with robust access control and authorisation mechanisms in place.

### Information Security Culture

Raises awareness and strengthens accountability through onboarding training and ongoing internal programmes, fostering a culture of responsibility and mitigating cybersecurity risks throughout the employee lifecycle.



# Occupational health and safety

Occupational health and safety (OHS) is regarded not only as a matter of legal compliance, but as a critical condition for production continuity and employee confidence. Through the Safety – Health – Environment – Energy Policy, an OHS management system aligned with ISO 45001, and reference to social responsibility standards such as SMETA at applicable entities, Vinamilk has established an OHS system based on an internal framework of 12 core elements. This framework provides comprehensive coverage, ranging from leadership roles, risk identification and control, training, emergency preparedness and response, to employee health care.

In 2025, 88% of employees were covered by the OHS management system, and no internal complaints related to occupational health and safety were recorded. In parallel, 14 business units maintained ISO 45001 certification, while four units applied SMETA standards. OHS performance indicators in 2025 demonstrate stable risk control, adequate resource allocation, and active employee participation, reflecting the effectiveness of the management system and a clear transition from compliance-driven practices toward proactive occupational safety.

## Building on this standardised OHS foundation, Vinamilk is oriented towards

- Shifting from compliance to a safety culture, in which employees do not only follow procedures, but actively identify risks and take responsibility for safety at their own workplaces.
- Enhancing working conditions and occupational safety through digitalisation, process optimisation, and reduced administrative burden, while increasing flexibility in work organisation. In parallel, Vinamilk acts as a pioneer in automation and the application of robotics to replace physically demanding tasks and reduce ergonomic risks. As a result, employees transition toward supervisory and smart operations roles, contributing to improved productivity and higher occupational safety standards.

## 12 Core Elements of the OHS Management Framework

- Leadership and commitment
- Risk assessment and strategic planning
- Organisational structure and assignment of responsibilities
- Training and awareness-raising
- Risk control and accident prevention
- Monitoring, evaluation, and continual improvement
- Emergency preparedness and incident prevention
- Consultation and improvement of working conditions
- Provision of personal protective equipment (PPE) and compliance with internal regulations
- Equipment inspection and fire safety management
- Workplace environmental monitoring
- Employee health care and occupational disease control

## Results

**9,064** of employees are covered by the Occupational Health and Safety (OHS) management system.

**0** internal complaints related to occupational safety and health were reported.

More than **VND 25.4 billion** was invested in occupational safety and health initiatives.

More than **VND 12.4 billion** was allocated to periodic health check-ups for employees.

**14** manufacturing facilities are certified to ISO 45001

**04** facilities apply SMETA standards

### OSH System Resources

**51** medical staffs

**28** HSE officers

**427** safety officers



# Harmonious labor relations



## Listening to employees and promoting meaningful participation

Vinamilk establishes a multichannel consultation framework to ensure that employees' perspectives are effectively integrated into decisions related to working conditions and work organisation. This approach is implemented through the following mechanisms:

- **Workplace Dialogue:** Workplace dialogue is conducted in accordance with prescribed formats, including periodic dialogue, dialogue upon request by one or more parties, and dialogue arising from specific incidents, in order to facilitate timely exchange, consultation, and resolution of issues related to employees' rights and interests.
- **Employees' Conference:** The Employees' Conference is held annually, providing a forum for dialogue among employees, employee representative organizations, and employers on production and business performance, working conditions, and matters related to the rights and obligations of the parties.
- **Respect for Representative Rights:** The Company is committed to ensuring freedom of association and collective bargaining. Through the Trade Union, employees are provided with favorable conditions to participate in dialogue, express their views, and safeguard their legitimate rights and interests.



## Cultivating the "Vinamilk People, Vinamilk Quality" culture

Alongside formal dialogue mechanisms, Vinamilk implements a range of initiatives to embed and recognise the spirit of "Vinamilk People, Vinamilk Quality" across the organisation, thereby strengthening employee participation and enhancing connections between management and the workforce. In 2025, more than 50% of employees participated in the "Revisiting Vinamilk Quality" engagement series, with over 100 practical stories documented and shared internally, illustrating how cultural values are applied in everyday work.

In addition, several business units organised "Ask Me Anything" sessions with senior leadership, contributing to the promotion of two-way dialogue, transparency, and continuous improvement. Town Hall meetings, team-building activities, and the CEO Awards programme continued to serve as platforms for recognising and celebrating positive contributions, reinforcing organisational pride and the sense of belonging among Vinamilk People.



## Ensuring employees' right to information and consultation

To ensure employees' right to information and their capacity to adapt to change, Vinamilk establishes transparent notification mechanisms for material operational changes, considering this approach an integral part of risk management and workforce stability. Through the timely disclosure of information, the organization of consultations, and the implementation of changes in accordance with prescribed procedures, the Company ensures that employees are informed, have the opportunity to participate, are involved in implementation, and are able to monitor matters that directly affect their rights, benefits, and working conditions, in compliance with the Grassroots Democracy Regulation.

For adjustments related to working hours, employees are notified in advance in accordance with the timelines stipulated in the Company's Internal Labour Regulations, ensuring sufficient time for personal preparation and work arrangement. In cases of more material changes, including organisational restructuring or significant operational process adjustments, the Company provides notification in compliance with the minimum advance notice requirements set out under the Vietnamese Labour Code, and ensures prior consultation with the Trade Union Executive Committee before implementation. Through this approach, operational changes are managed in a systematic and consultative manner, helping to mitigate unintended adverse impacts on employees while maintaining transparency, dialogue, and organisational continuity.



## Multi-channel feedback and grievance handling in labour relations

Employees may raise concerns, provide feedback, or report issues through appropriate working procedures or via the Company's internal feedback systems and platforms. These channels ensure confidentiality, safety, and protection against retaliation, and include:

- Hotline: 0902 774 434
- Email: [compliance@vinamilk.com.vn](mailto:compliance@vinamilk.com.vn)
- Send letters or documents directly to the Company's headquarters
- Call or send letters to members of the Board of Directors, the Executive Board, the Compliance Committee, etc.
- Internal Audit



# Sustainable human capital development



## Recruitment and talent attraction

Vinamilk implements recruitment activities through a unified, transparent, and competency-based approach, which is standardised and digitalised under the Company's Recruitment Policy. This approach ensures fairness in access to employment opportunities, while enabling Vinamilk to select, attract, and develop a workforce aligned with the Company's long-term sustainable development strategy.

### Strategic talent recruitment and successor development programmes

Vinamilk identifies investment in young talent as a strategic lever to build a pipeline of future leaders with strong adaptability, system understanding, and holistic business thinking. In 2025, the Company implemented three flagship young talent programmes, including

#### Sales Trainee Program

attracted **1,965** applications with a selection ratio of **1:115**

continuing to serve as a key source of successor talent for the commercial function.



#### Graduate Talent Program

recorded **6,294** applications with a selection ratio of **1:166**

reflecting strong market interest and rigorous selection standards;

#### Communication activities

**3 million** views on Facebook



contributing to the strengthening of Vinamilk's employer brand as a workplace offering substantive career development opportunities.

#### Internship Programme (in collaboration with SEO Vietnam)

enabled Vinamilk to engage early with high-potential candidates;

**2/5** interns progressed to full-time employment, supporting early talent identification and development

A distinctive feature of Vinamilk's young talent development approach is the principle of empowerment coupled with accountability. During the year, six cross-functional projects in the areas of digital transformation, business development, route-to-market, and marketing were proposed and led by programme participants, and implemented on an end-to-end basis. These initiatives strengthened business acumen, project management capabilities, and cross-functional collaboration, while contributing to the gradual formation of a sustainable long-term successor workforce.

### Connecting with the future talent community

Alongside recruitment activities, Vinamilk expands collaboration with educational institutions and talent communities both domestically and internationally to build a strong pipeline of future candidates.

In 2025, the Company engaged more than

**3,800** young people



through

**5** five student competitions

**6** career talks

**11** company visits

creating opportunities for students to gain practical exposure, better understand labour market requirements, and shape their career pathways. These youth engagement initiatives contribute to the development of a future-ready talent pool, while also demonstrating Vinamilk's role in bridging education and industry and supporting the long-term sustainable development of the workforce.



## Supporting onboarding and assessing the new employee experience

Immediately upon joining the Company, new employees at Vinamilk participate in a structured and diversified onboarding programme, under which each new hire is assigned a designated Buddy to provide support during the initial period. This approach enables new employees to quickly familiarise themselves with their roles, understand corporate culture, and establish connections with colleagues. The onboarding programme combines site visits and hands-on experiences at factories and farms across the value chain, together with online training modules and formal welcome activities, helping to foster a sense of engagement and belonging from the very first days of employment.

In parallel, Vinamilk conducts post-onboarding surveys to capture feedback from new employees on the recruitment process, onboarding experience, and the alignment between job roles and initial expectations. Survey results are consolidated and utilised as inputs for continuous improvement of recruitment and onboarding practices, thereby enhancing hiring quality and early-stage employee retention.

### Key Onboarding Outcomes (2025)

**1,100** new employees joined the Company **92%** of new hires reported satisfaction with the onboarding programme



## Long-term human capital development linked to operations, innovation, and adaptability

Training and human capital development serve as an effective management tool to sustain organisational execution capacity and long-term adaptability. In the context of digital transformation, rising governance requirements, and the Company's sustainability-driven growth trajectory, training is not limited to skills enhancement, but functions as an integral component of human capital risk management. Vinamilk aims to cultivate a stable, capable workforce that remains adaptable to change and prepared to accompany the Company throughout its long-term development journey.

On this basis, Vinamilk's human capital development programmes are designed around standardised training and development pathways for each employee segment, with a focus on strengthening professional competencies, enhancing execution capability, and fostering adaptive thinking. This approach represents the Company's long-term investment in people, implemented consistently through the Human Capital Training and Development Policy.

Total training hours during the 2021-2025 period increased by **9.3%**

reflecting Vinamilk's commitment to building a culture of continuous learning in support of workforce quality and long-term competitiveness.

### Average Training Hours per Year:

**Management** **31.1** hours **Employees** **46.1** hours



In 2025, Vinamilk delivered **712** training programmes with a total of **326,000** training hours,

**100%** of employees participated in periodic performance assessments

providing a structured basis for capability feedback and the development of tailored career development pathways.

## Highlighted Training Programs in 2025

### “Optimising Microsoft 365 Copilot Chat capabilities” workshop

In 2025, Vinamilk rolled out a nationwide workshop on the application of AI in daily work, focusing on optimising the use of Microsoft 365 Copilot Chat. The programme attracted more than 1,000 employees across the country. Designed with a hands-on, application-oriented approach, and delivered in collaboration with Microsoft experts, the workshop enabled participants to gain a clear understanding of AI functionalities and enhance prompting skills, thereby improving the effective utilisation of digital tools in daily operations.

Through this initiative, Vinamilk progressively integrates emerging technologies into operational processes, contributing to improved productivity and reaffirming the Company's commitment to digital transformation and the development of a modern, flexible, and future-ready workplace.

### Culture-Led Management” workshop for Senior Leaders

The “Culture-Led Management” workshop was organised for Vinamilk's senior leadership team, with the aim of strengthening management capabilities in the context of multi-sector operations and increasing organisational scale. The programme focused on the role of corporate culture as a management instrument, from shaping leadership behaviours and team engagement to ensuring alignment in strategic execution.

Through the workshop, Vinamilk's leaders were updated on contemporary management models and practical approaches to leveraging culture to connect people, enhance performance, and support sustainable growth, thereby reinforcing leadership accountability across the organisation.

### “Food Safety Culture and the Role of Leadership” training programme

Food safety remained a key training priority in 2025. Vinamilk implemented the training programme “Food Safety Culture and the Role of Leadership”, targeting management teams and key positions within the production and quality system.

The programme emphasised the role of leadership in maintaining, strengthening, and embedding food safety culture, through the identification of core elements, assessment of practices at each business unit, and the promotion of responsibility across the entire production chain. This initiative provides a critical foundation for ensuring consistent product quality, safety, and long-term sustainability.

### Enhancing awareness of sustainable development

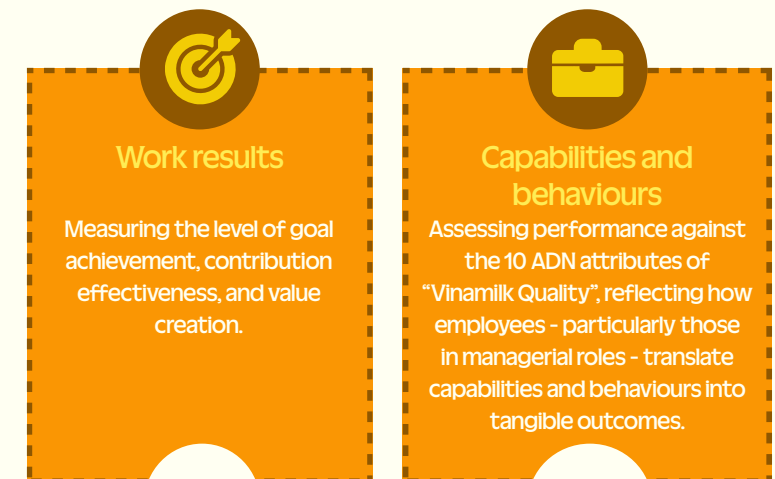
In 2025, Vinamilk delivered 260 sustainability-related training programmes, supporting the development of a green and sustainability-aware workforce. Notably, the Company participated in specialised training programmes organised by BSI, including: Greenhouse Gas Emissions Quantification and Reporting in accordance with ISO 14064-1:2018, which are delivered to the sustainability-dedicated teams across Vinamilk's value chain.

Through the combination of general awareness training and in-depth technical training, Vinamilk gradually strengthens its management capacity and systematically implements sustainability initiatives in line with the Company's long-term strategic direction.”

## Enhancing the Effectiveness of Performance Management

Vinamilk operates a performance management system based on the principles of transparency, fairness, and consistency, under which 100% of employees undergo periodic performance evaluations. The system not only establishes common performance standards, but also provides a structured foundation for capability development and long-term succession planning.

In 2025, a key milestone was achieved with the continued rollout of the 360-degree ADN assessment for appropriately identified employee groups, further refining a performance evaluation model that integrates:



#### Work results

Measuring the level of goal achievement, contribution effectiveness, and value creation.

#### Capabilities and behaviours

Assessing performance against the 10 ADN attributes of “Vinamilk Quality”, reflecting how employees - particularly those in managerial roles - translate capabilities and behaviours into tangible outcomes.

By continuously strengthening the evaluation model through the balanced integration of results and capabilities, together with the application of digital tools in performance management, Vinamilk aligns performance assessment with its long-term human capital sustainability strategy. This approach enhances fairness in performance recognition and generates transparent, data-driven insights to support training, reward mechanisms, and the systematic development of the successor workforce.

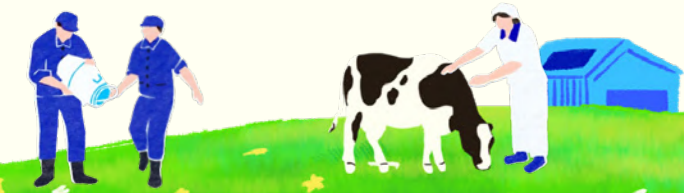
# Enhancing working conditions and comprehensive employee welfare

Vinamilk builds an employee welfare ecosystem grounded in transparency and human-centred principles, where every employee is protected and provided with the conditions necessary to realise their full potential.



## Fair and competitive compensation

Ensuring internal equity, market competitiveness, and consistency in decision-making across the organisation represents Vinamilk's core principles in the design and operation of its compensation management system.



## Compensation Determination

Vinamilk allocates 10% of profit after tax to the Rewards and Welfare Fund, which is used to provide bonus payments linked to the Company's business performance and employees' individual performance outcomes.

Employees' income levels are determined and reviewed consistently based on key factors, including job position, individual capability, salary framework, market benchmarks derived from independent surveys (Mercer), performance results, and the Company's overall business performance. This approach serves as the basis for setting starting salaries, adjusting compensation upon role changes or promotions, and determining performance-based bonuses, thereby ensuring operational consistency and a fair reflection of the relationship between employee contributions and the Company's overall performance.

On this basis, Vinamilk's compensation policy is implemented in a transparent, reviewable, and adjustable manner, with the aim of maintaining internal fairness, strengthening competitiveness in the labour market, and ensuring alignment with the Company's operational realities at each stage of development.

## ENTRY-LEVEL WAGE

Vinamilk's entry-level wages (basic salary, excluding allowances and overtime) are determined based on job position, grade, and job requirements, with no differentiation by gender in salary determination. The Company conducts a periodic review of the ratio between the lowest entry-level wage by job position and the applicable local minimum wage; **the results indicate that the lowest entry-level wage remains higher than the local minimum wage, in accordance with prevailing legal requirements.**

These comparison results serve as a key input for reviewing and refining Vinamilk's salary policy, ensuring compliance with the legal framework and alignment with labour market conditions.





### Methodology and reference basis

Vinamilk applies the Living Wage benchmark for Vietnam – Region I, as published by the Global Living Wage Coalition (GLWC), developed in accordance with the Anker methodology and updated in October 2025. This benchmark represents the level of income required for workers and their families to meet basic living needs, including food, housing, healthcare, education, transportation, and a modest provision for unforeseen expenses.

The assessment is conducted by comparing the Living Wage benchmark with the average actual income of employees during the reporting period. The results are aggregate and indicative in nature, and do not reflect individual employee incomes.

The Living Wage benchmark is not a statutory wage requirement, but is used as an analytical reference tool to support Vinamilk in reviewing the appropriateness of its compensation policies in the context of living costs, and to inform the direction of long-term income policy development.

#### LIVING WAGE

Average employee income at Vinamilk is more than **3.5 times** higher than the Living Wage benchmark for Region I.

Average employee income at Vinamilk and Vietnam Dairy Cow is more than **3.1 times** higher than the Living Wage benchmark for Region I.



## Comprehensive employee benefits

Vinamilk implements a comprehensive benefits policy designed to provide holistic protection and long-term support for employees, accompanying them throughout their career journey with the Company:

### Social security commitment

Vinamilk ensures full participation in all statutory insurance schemes in accordance with legal requirements, including social insurance, health insurance, and unemployment insurance. The Company provides work related allowances and in kind hazardous duty benefits based on job characteristics, and maintains responsibility allowances for specialised roles such as Fire Prevention and Fighting Committees and Occupational Safety Officers, recognising contributions to overall workplace safety.

### Proactive healthcare

The Company operates the An Khang General Clinic, alongside periodic health check ups and specialised health screenings conducted directly at the workplace.

### Extended health protection

Vinamilk provides enhanced health insurance coverage for all employees, with benefits progressively extended to family members based on job position and eligibility.

### Nutrition and practical support

The Company fully complies with legal regulations on mid-shift and lunch meal allowances, as well as maternity benefits. In addition, the Company implements supplementary welfare benefits, including regular milk provision, preferential purchasing programs for employees, additional support policies for female employees during maternity leave, and the continuation of employee appreciation activities through gift-giving on personal milestones (such as birthdays) and on occasions dedicated to women (8 March and 20 October), demonstrating the Company's care for and companionship with its employees.

## Work-life balance

Vinamilk respects employees' need for recovery time and actively supports the balance between professional responsibilities and family life:

### Recognition of long service

The Company implements annual leave increments based on seniority in full compliance with legal requirements, and organizes domestic and international retreat and travel programs to recognize and appreciate employees with long-term service.

### Family-oriented support

Vinamilk provides monthly childcare cost support, rewards employees' children for academic achievements, and offers gifts on Children's Day (1 June) and Mid-Autumn Festival.

### Appropriate working rhythms

Work organisation is adjusted flexibly in accordance with job characteristics, while strictly complying with statutory regulations on working hours and rest periods.



## Mental well being and emotional care

Beyond material benefits, Vinamilk invests in both infrastructure and an empathetic workplace culture to nurture positive mental well-being:

### Care and recovery infrastructure

The Company establishes fitness and wellness spaces (Gym, Yoga), relaxation areas, and standardised lactation rooms to support female employees with young children.

### Internal community engagement

Vinamilk maintains employee sports clubs, team-building activities, and internal events (such as commemorative photo sessions and festive decorations) to strengthen teamwork and collective pride.

### Internal communication and empathy-driven leadership

The Company operates diverse digital communication channels to provide timely information on health, safety, and employee well-being. In parallel, empathy-based leadership development programmes equip managers with listening skills and the ability to foster a respectful, human-centred work environment.



## Reinforcing a Preferred Employer Brand

Continuous efforts to enhance workplace quality and employee experience continue to gain strong recognition in the labour market. In 2025, Vinamilk was the winner of "Enterprise of Choice" in the large enterprise category by CareerViet, with methodological assurance provided by Amco Vietnam.

This marked the second consecutive year Vinamilk secured the Top 1 position, based on feedback from over 88,000 employees across more than 6,700 companies. The results reflect Vinamilk's strong employer attractiveness in terms of working environment, recruitment experience, development opportunities, and long-term sustainable values delivered to employees.

**100%** return to work rate after maternity leave.

**100%** retention rate 12 months after return from maternity leave.

**55%** of employees with more than 10 years of service tenure.

**100%** of employees covered by enhanced health insurance programmes.

**100%** compliance with statutory maximum working hours.



# LOCAL ECONOMY

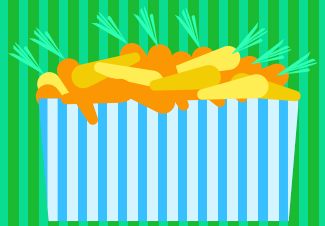
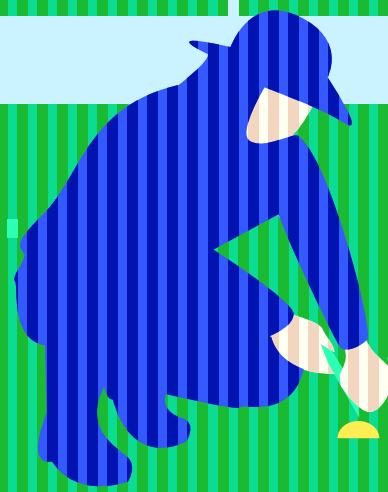
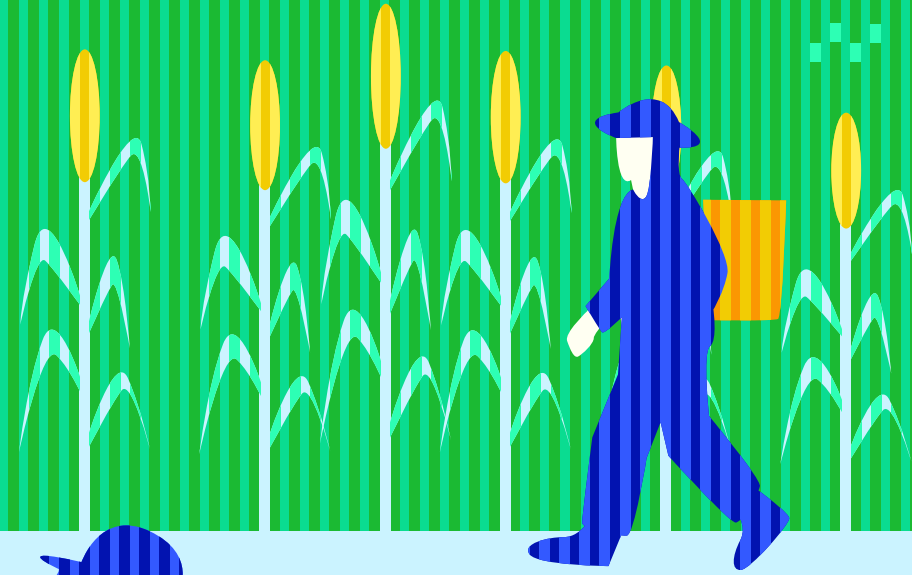
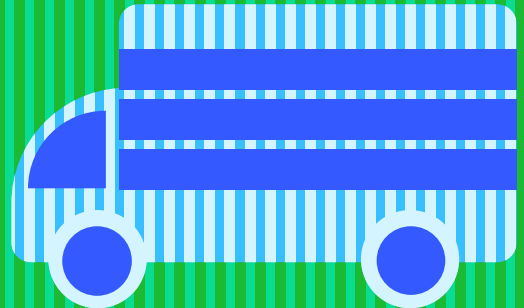
1 NO POVERTY



2 ZERO HUNGER



8 DECENT WORK AND ECONOMIC GROWTH



# Local Economies

Over half a century of development, Vinamilk has affirmed its pioneering role and elevated Vietnamese dairy products onto the global stage. The Company has made integrated investments across the value chain, including raw material quality, logistics and procurement, production capacity, and human resource development. Through these efforts, Vinamilk continuously optimizes its value chain while generating widespread socio-economic benefits: contributing to the diversification of livelihoods and the enhancement of sustainable income for farming households, strengthening the development capacity of rural communities and supporting infrastructure development as well as improving quality of life in the areas where it operates.



# Domestic fresh milk supply chain linkages

## Orientation

## Implementation

## Impact

Transparent and stable milk procurement

Procurement prices are adjusted in line with market movements

**100%** of farming households with substandard milk receive technical consultation and support

Quality control is conducted from collection points to processing plants

**225,778,211 kg** of milk purchased from farmers in 2025

Reduction of production costs, productivity enhancement, and stabilization of farmers' income; strengthened dairy farming capacity and higher standards-compliant milk ratios; optimization of the milk procurement chain through streamlined operations, shorter time from milking to processing plants, reduced losses and logistics costs, enhanced traceability, and more sustainable linkages with local suppliers.

Cost reduction and production efficiency improvement

Provision of standardized compound feed at prices

**3 - 5%**  
lower than the market average



Over the past 10 years, an average of

**107,000 tons** of feed has been supplied annually



Lower input costs, improved economic efficiency, and increased sustainable income for farming households.

Farmer training and capacity building

In 2025,

**27** technical consultations

**07** workshops

and nearly

**60** on-site practical advisory sessions

Veterinary support, hoof trimming.

Dehorning services; standardization of input quality.

Enhanced technical competence, improved compliance with standards, higher milk quality, and strengthened sustainability of dairy farming practices.

Development of milk collection infrastructure

Operation of

**69** Vinamilk milk collection hubs

**12** Moc Chau Milk collection stations



Streamlining of the collection system to enhance quality control efficiency.

Improved local milk collection infrastructure, strengthened capacity for milk intake and quality control, contributing to more stable production and improved quality of life in dairy farming regions.

# Promoting the sustainable development of Vietnam's dairy and livestock sector

## Orientation

## Implementation

## Impact

Job creation, livelihood diversification, and sustainable income growth through the high-tech farm and processing system

Management of a herd of approximately

**130,000** cows

supplying approximately

**410,000** tons of fresh milk per year



Promotion of rural infrastructure and technology development; modernization of dairy farming practices; improved productivity and milk quality; and enhanced competitiveness of Vietnam's dairy industry.

Linkage with nearly

**4,000** farming households,

Operation of

**14** high-tech dairy farms

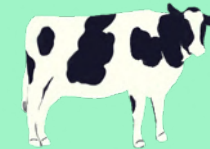
Application of advanced technologies and automation



Upgrading high-performance breeds

Import of HF and A2 dairy cows from the United States, Australia, and New Zealand

Proactive development of breeding embryos and genetic improvement of the dairy herd



Improved herd productivity and quality, establishing a foundation for long-term and sustainable growth.

Standardization in line with international standards

**100%** of farms certified under Global S.L.P.

**03** certified under EU Organic standards

**100%** of farms and processing plants certified to ISO 9001:2015

Enhanced compliance with international standards; improved product quality, safety, and credibility of Vietnamese dairy products.

Livelihood development through the satellite economy

Procurement of

**183,463** tons of silage corn from local households in 2025



Stimulation of local trade, veterinary services, and logistics

Diversified income streams for local households; strengthened rural community capacity; improved local infrastructure and quality of life in operating areas.

# Local supply chain linkages

## Transparent and stable procurement – the foundation for long-term partnerships

Since the early years of economic reform, Vinamilk has prioritized the development of domestic raw material sources through long-term cooperation with local dairy farming communities, gradually establishing a nationwide network of supply chain linkages. This strategic orientation not only ensures a stable input supply for production but also serves as a key driver for rural economic development. Transparent procurement policies, harmonized quality standards, and ongoing technical support form the foundation for sustaining long-term partnerships between the Company and farming households.

Quality is placed at the core of Vinamilk's procurement practices, with pricing policies aligned with quality levels and clearly defined evaluation criteria transparently stipulated in contracts. Standardized procurement processes enable stringent controls at collection points and throughout transportation routes. Notably, Vinamilk proactively accompanies farming households not only in addressing quality gaps but also in continuously improving farming practices and the quality of raw fresh milk output.



## Training and capacity building for dairy farming communities

Vinamilk implements farmer capacity development programs through annual training and advisory systems in collaboration with specialized partners. Advisory activities are designed to emphasize practical application over theory, focusing on three core pillars: connectivity, technical advancement, and quality standardization.

Regular on-farm visits and advisory programs were implemented in parallel with guidance on and standardization of the Good Milking Hygiene Procedure (GMHP). The procedure is designed to be comprehensive yet easy to apply, covering all stages from equipment preparation and barn sanitation to proper milking techniques, disinfection, milk transportation, and post-milking equipment cleaning.



In 2025 alone, Vinamilk

conducted **27** on-farm technical advisory visits

organized **07** "Household Dairy Farming Technical" workshops  
in collaboration with C.P. Vietnam Livestock Corporation

and delivered nearly **60** practice-oriented consultations

Specialized support services such as hoof trimming and horn trimming/dehorning were also provided to improve herd welfare and reduce farming risks



## Development and optimization of the milk collection infrastructure



Alongside on-farm advisory activities, Vinamilk organizes visits to feed manufacturing plants for collection stations and exemplary farming households, enabling farmers to gain a holistic understanding of the livestock feed value chain - from raw materials and technology to quality control. This supports ration optimization and cost reduction. Vinamilk also promotes peer-to-peer learning at advanced farming households, where farmers can directly observe feeding schedules, feed mixing techniques, ration control, and daily technical checkpoints to enable early detection of abnormalities. This field-based learning approach shortens the standardization process, reduces trial-and-error, and sustainably enhances the quality of milk supplied.

To sustain and strengthen long-term capacity, Vinamilk regularly co-organizes thematic workshops on nutrition, herd management, reproduction, housing systems, waste treatment, and veterinary care. This comprehensive approach supports farmers in improving productivity, optimizing costs, standardizing milk quality (increasing Fat and Solids-Not-Fat (SNF); reducing Somatic Cell Count (SCC) and Total Plate Count (TPC); controlling antibiotic residues), while ensuring biosecurity, animal welfare, and strengthening connectivity and the dissemination of good practices across the farming community.

Vinamilk has developed a milk procurement network comprising

**69** collection hubs  
managed by Vinamilk

**12** stations  
operated by Moc Chau Milk



establishing a stable, transparent, and convenient procurement channel for farming households

These collection hubs serve not only as milk intake points but also as local technical service centers, providing feed supply, nutritional advisory services, veterinary support, disease control assistance, and on-site technology transfer.

To enhance operational efficiency, in 2025 Vinamilk streamlined its procurement system and restructured the Cu Chi Raw Milk Center, transferring transportation and quality control functions to specialized units. Enhanced monitoring and shorter processing times have enabled more timely support for collection hubs and farming households, while strengthening milk intake capacity and quality control effectiveness. By integrating fair procurement practices, farmer capacity building, and infrastructure investment, Vinamilk's linkage model ensures raw material quality while creating jobs, stabilizing incomes, and contributing to the development of a sustainable dairy supply chain in Vietnam.

# Partnering in the development of vietnam's dairy and livestock sector

## Job creation and livelihood development

Driven by consistent commitments to modernizing livestock farming and investing in processing and advanced technologies, Vinamilk has established a nationwide production-supply ecosystem, comprising

**14** high-tech dairy farms connected with **14** processing plants

This integrated linkage has created more than

**9,000** stable jobs

across production, engineering, operations, logistics, and supporting services, while local workers are systematically trained and enabled to access new technologies.

## Enhancing production and management capacity

Throughout its development journey - particularly following the "white revolution" - Vinamilk has undergone a fundamental transformation from traditional livestock farming to high-tech agriculture and an integrated, closed-loop value chain. The Company has proactively upgraded dairy cattle breeds (including HF and A2 cows imported from the United States, Australia, and New Zealand, as well as investments in embryo transfer centers), while simultaneously implementing comprehensive digital transformation across farm management. Herd management platforms and IoT systems enable real-time monitoring; automated cooling barns regulated by the Temperature-Humidity Index (THI), large-scale milking systems with integrated identification, feed-pushing robots, and digitized ration management support data-driven decision-making. These solutions help stabilize productivity and milk quality while mitigating farming risks.

At the same time, local satellite economies have been stimulated through the development of feed supply, veterinary services, transportation, accommodation, and trade. Notably, the silage corn procurement program - maintained for over a decade with an average volume of

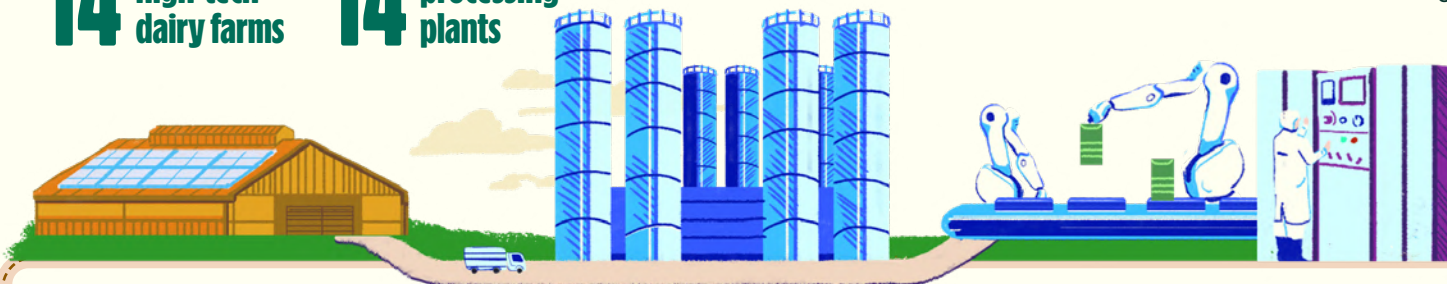
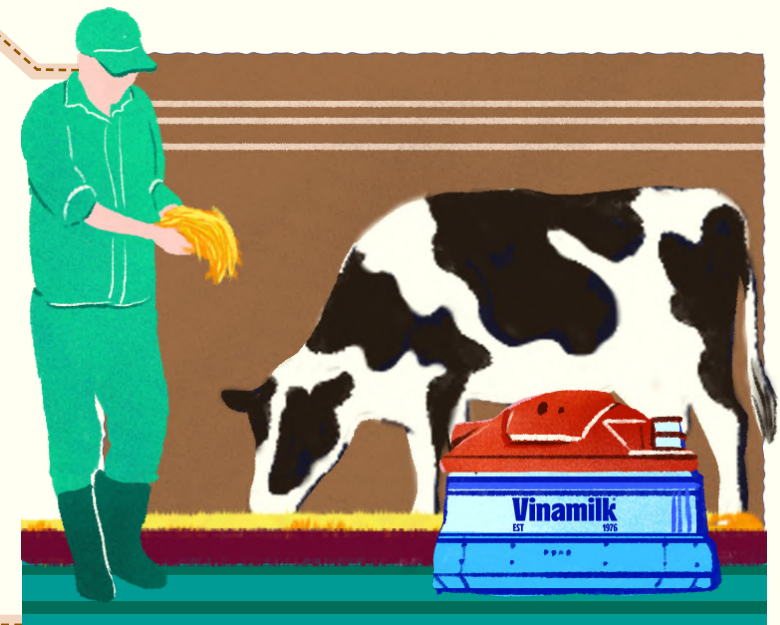
nearly **140,000** tons per year

has supported farmers in diversifying livelihoods and effectively transitioning crop structures, thereby generating stable income streams.

In addition, since 2016, Vinamilk has implemented a program to supply standardized compound feed at prices 3-5% lower than market levels, contributing to cost reduction and productivity enhancement of dairy herds. Over a 10-year period, the Company has supplied an average of

more than **107,000** tons of feed annually

establishing a stable nutritional foundation while reinforcing long-term partnerships with farmers. This integrated approach helps reduce input costs, improve productivity, and stabilize household incomes, while enhancing efficiency across the milk procurement value chain.



## Infrastructure development and amplifying local impacts

Alongside expanding production capacity, Vinamilk has invested in upgrading infrastructure in areas hosting its farms and processing plants, including power supply, water systems, environmental treatment facilities, and connecting transportation networks. Large-scale projects such as Moc Chau Milk Paradise, the Vinabeef Tam Dao complex, Green Farm, and the Thanh Hoa farm cluster have become development hubs, catalyzing the growth of logistics, veterinary services, construction, and local trade.

Across the value chain, operations are standardized in line with international standards, with

**100%** of farms certified under Global S.L.P.



**100%** of farms and plants certified to ISO 9001:2015



**03** farms certified to EU Organic standards

ensuring end-to-end traceability and consistent quality.



## Flagship projects – Vinabeef Tam Dao and Moc Chau Milk Paradise

The Vinabeef Tam Dao Integrated Farm and Beef Processing Plant Complex marks a significant advancement in modern beef cattle farming, creating a new food industry cluster and generating



Beef cattle farm

direct local economic impacts through employment, logistics, and supporting services. The integrated farm–factory model establishes a closed-loop value chain, upgrades local infrastructure, and increases demand for skilled labor.



Vinabeef Tam Dao beef processing plant



The Moc Chau Milk Paradise Project, with a long-term vision to 2030, positions Moc Chau as a high-tech dairy hub. Integrated investments in farms, infrastructure, and technical services - combined with eco-tourism development - create new jobs and expand livelihood opportunities, contributing to the transition of the local economy toward a green, modern, and sustainable growth model.

# MARKET DEVELOPMENT

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



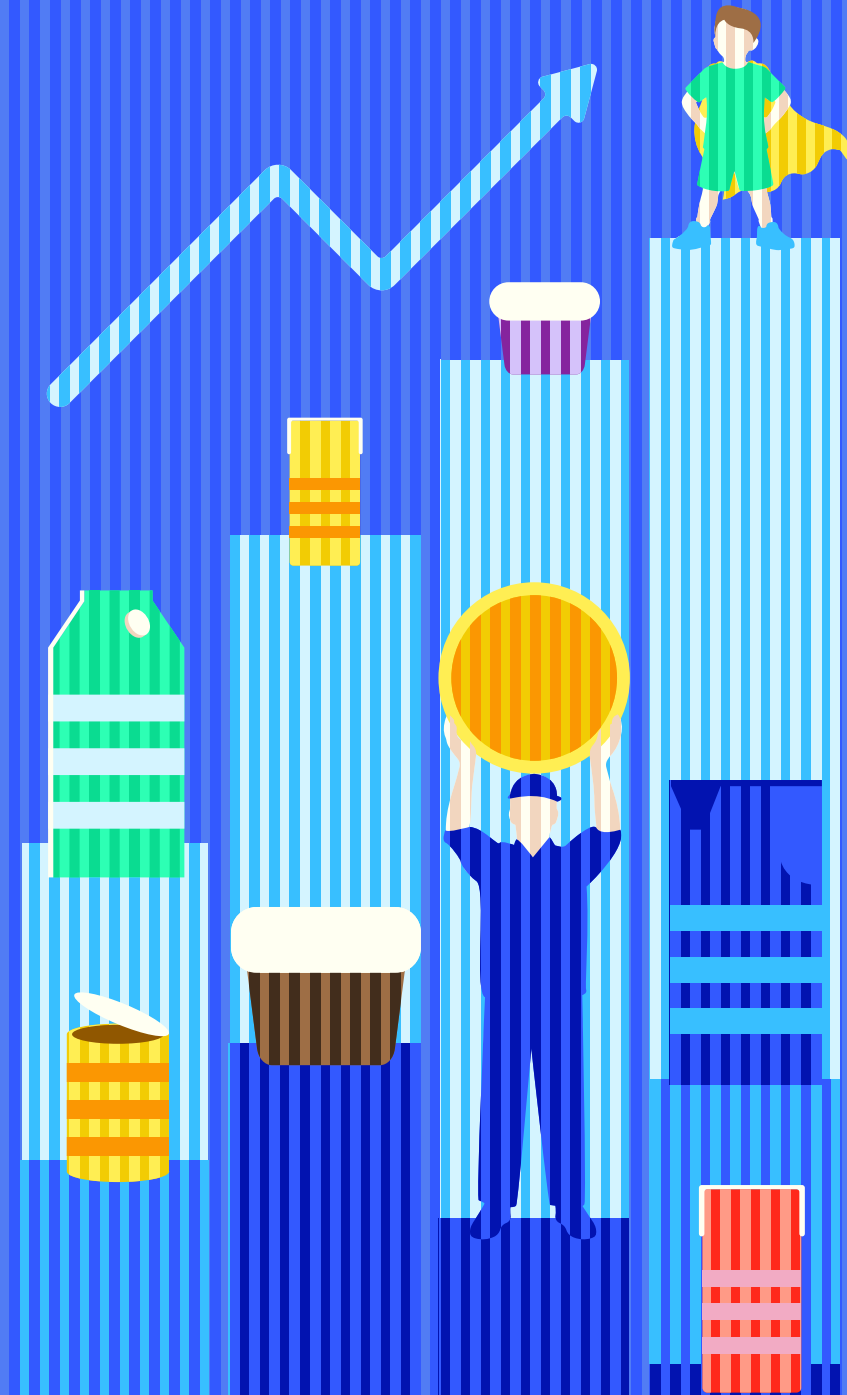
12 RESPONSIBLE CONSUMPTION AND PRODUCTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



# Market Development

Market development represents one of the core pillars in the Company's sustainable development strategy, directly linked to long-term growth objectives and the enhancement of sustainable competitiveness. This approach responds not only to the growing expectations of customers, business partners, distributors, investors, and local communities, but also reflects the Company's commitment to creating economic and social value in a balanced and responsible manner. At Vinamilk, market expansion is not pursued solely as a means of revenue growth. Instead, it serves as a strategic instrument to promote sustainable standards, elevate product and service quality, and generate positive contributions to the communities in which the Company operates. Through this approach, market development is integrated into Vinamilk's broader sustainability agenda, supporting resilient growth while strengthening trust across value-chain stakeholders.



Net revenue VND

**63,646** billion

Profit after tax VND

**9,414** billion

Overseas net revenue  
amounted to VND

**7,105** billion

increased **25.4%** year-on-year

Export revenue VND

**6,546** billion

representing

**16.5%**

year-on-year growth

**65**

cumulative export  
markets

**40**

trade fairs and business  
promotion conferences

**24**

trade support  
activities

Ranked within the

**Top 5%** of the world's  
strongest brands

with an

**AAA+** rating by  
Brand Finance

**No**

monetary penalties incurred related  
to economic or social regulations

**No**

violations related to monopoly,  
anti-competitive practices, or  
obstruction of fair competition



# Long term growth – Scaling up through a “tailor made” strategy and market specific sustainable development



## Strong growth in Africa – The outcome of a “tailor-made” market strategy

In Africa, Vinamilk maintains its robust growth, building on the foundations established in previous years. Certain markets recorded growth rates of up to 108%, clearly demonstrating the effectiveness of a long-term brand-building strategy combined with product customisation aligned with local consumer psychiques, preferences, and taste profiles.

These results are driven by enhanced brand recognition through communication and community engagement initiatives, the development of product portfolios specifically designed to address local nutritional needs, and the cultivation of consumer trust and brand affinity by meeting high standards of quality, sustainability, and social responsibility.

In parallel, Vinamilk actively carries out trade promotion activities and collaborates with national export promotion programmes, strengthening market access and reinforcing its presence across key markets.

In its international expansion journey, Vinamilk continues to deliver strong performance through a focused and differentiated market development strategy, tailored to the specific characteristics of each region.



## Proactive product development for premium markets

For markets characterised by high quality expectations and stringent regulatory and technical requirements, Vinamilk adopts a proactive approach by:

- Reviewing and complying with import regulations, food safety requirements, and sustainability certifications applicable to each market.
- Developing specialised product portfolios tailored to premium market segments.
- Maintaining robust traceability capabilities and adherence to international standards to meet regulatory requirements and evolving consumer expectations.

By consistently pursuing high international standards, Vinamilk not only expands its market share, but also strengthens the reputation of Vietnamese brands in developed markets. In 2025, along with 27 other companies, Vinamilk has been awarded a Certificate of Merit for Exemplary Exporters by the Ministry of Industry and Trade (MoIT), and was the only dairy company to be included in this list, reaffirming its leadership position in international markets.

# Enhancing sustainable competitive capability

## Suppliers

Vinamilk applies a supplier management approach grounded in transparency, accountability, and compliance with sustainability standards. All suppliers undergo comprehensive assessments covering operational capability, business ethics, conflict-of-interest prevention, and commitments to fair treatment, occupational safety, and social responsibility principles. On a periodic basis, Vinamilk monitors service quality, improvement effectiveness, and compliance performance, with the objectives of ensuring supply chain stability, enhancing partnership value, and contributing to the development of a resilient and sustainable production-business ecosystem.

## Distributors

Vinamilk regards its distributors as strategic partners in achieving sustainability objectives and ensuring consistent product quality for consumers. To clearly communicate expectations, the Company shares its Code of Conduct and implements assessment and monitoring mechanisms to ensure that distributors:



Comply with Vietnamese and international laws and regulations



Ensure food safety and product traceability



Maintain transparency and fairness across the supply chain

Vinamilk conducts regular evaluations to track compliance levels. In cases where requirements are not fully met, the Company works collaboratively with distributors to implement corrective and improvement measures.



# Tax

As part of its overall strategy, Vinamilk fulfils its social and economic responsibilities through full compliance with tax regulations and the timely, accurate payment of taxes. The Company also manages tax-related risks prudently to ensure business continuity and support sustainable growth.

## In 2025

Vinamilk contributed more than VND

**1,500** billion in corporate income tax

accounting for approximately

**39%** of the Company's total payments to National budget at State Treasury



## Tax Perspective and Policy

### Commitment

Vinamilk regards tax as a core component of corporate governance and a key economic and social contribution. The Company is committed to:

- **Full compliance with tax laws and regulations** in all countries and jurisdictions where it operates.
- **Refraining from transfer pricing practices** through entities lacking genuine business purposes, artificial business arrangements, or the shifting of profits to lowtax jurisdictions (commonly referred to as "tax havens").
- Implementing appropriate tax governance measures to ensure that tax obligations are fulfilled accurately and on a timely basis, thereby **minimising unnecessary additional tax liabilities or similar risks**.
- Aligning **tax management** with **the Company's sustainable development objectives**, while ensuring that financial records remain transparent, accurate, and reliable.

## Tax Governance, Control and Risk Management System

### Governance structure

- **The Board of Directors / Audit Committee** provides overall oversight of compliance risks, including tax-related risks, as part of the Company's integrated risk management framework.
- **The Finance and Accounting Division** is responsible for operating the tax control framework, and works in coordination with the Legal function in cases involving complex legal interpretation.
- **Factories and Business units** are responsible for source-level compliance.

## Stakeholder Consultation and Management of Tax-Related Concerns

### Stakeholder Dialogue

The Company considers tax to be a core component of corporate governance and socio-economic contribution. The Company is committed to:

- **Tax authorities:** Vinamilk engages in early communication on complex tax matters, cooperates fully during tax inspections and audits, and ensures that any information provided in relation to tax issues, in any form, accurately reflects the true substance of the transactions undertaken by the Company.
- **Investors and the public:** The Company discloses tax policies and payments to National budget on a periodic basis, and provides explanations for differences between the effective tax rate and the statutory tax rate in accordance with prevailing regulations. Vinamilk maintains appropriate mechanisms to receive and respond to investor feedback and inquiries related to tax matters, supporting transparency and informed stakeholder engagement.



# CONNECT THE HEART - SPREAD THE VALUES

1 NO  
POVERTY



2 ZERO  
HUNGER



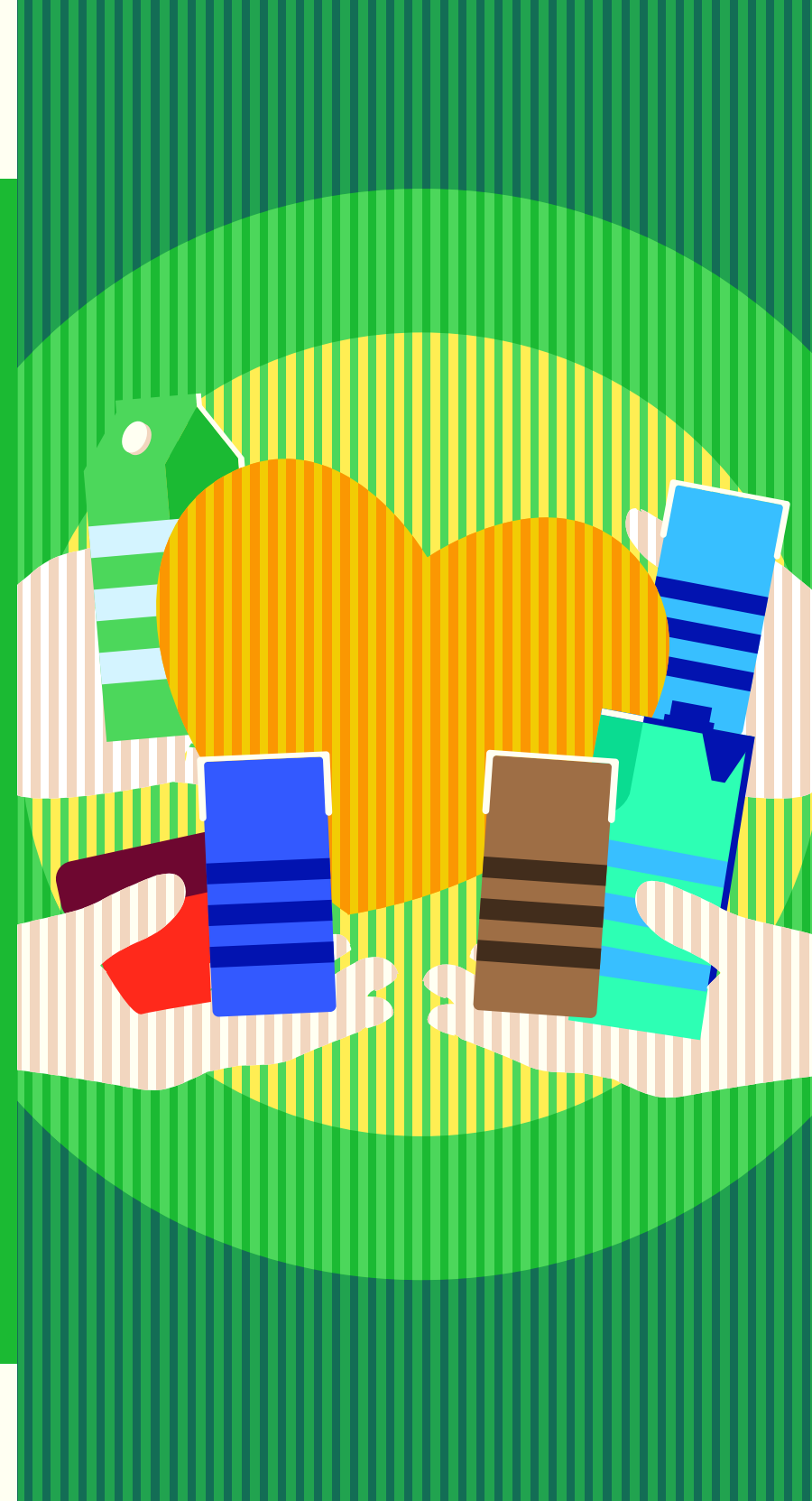
3 GOOD HEALTH  
AND WELL-BEING



8 DECENT WORK AND  
ECONOMIC GROWTH



11 SUSTAINABLE CITIES  
AND COMMUNITIES



# Connect the hearts – Spread the values

Vinamilk consistently regards the community as a vital foundation and demonstrates a strong commitment to social responsibility in creating and sharing sustainable value. On this basis, The Company's has developed a community engagement direction built around four core pillars, each focusing on an essential area—nutrition, health, education and green practices, and disaster resilience. Through these pillars, Vinamilk aims to enhance quality of life, scale up sustainable development initiatives, and share long-term prosperity with the communities it serves.



# Commitment

## Nutrition care and community health enhancement

To provide quality nutrition and enhance community health, with a particular focus on children and vulnerable groups; to narrow regional nutritional disparities; and to support healthcare access while promoting healthy lifestyles.

# Implementation & Impact

### Stand Tall Vietnam Milk Fund

Cumulative total delivered to  
**43 million** milk cartons **550,000** children

Nationwide coverage:  
 Implemented across all

**34**  
 provinces and cities  
 in Viet Nam



### Establishing nutritional standards for school meals

**52** schools assessed and provided with nutritional consultancy  
**1,000** school administrators and kitchen staff trained  
**+6** provinces identified for expansion following the pilot phase

### Expanding coverage and access to nutrition advisory channels

**16** training sessions delivered on nutrition, health, and products  
**240** communication contents reviewed and validated by technical experts

### Supporting local community health

**VND 500 million**

provided to the Ho Chi Minh City Association for Supporting Poor Patients



## Sharing knowledge to inspire sustainable practices

To promote awareness and scale up ESG practices through knowledge sharing, transparent information disclosure, and strengthened multi-stakeholder collaboration, thereby enhancing sustainability capacity for both communities and businesses.

### P4G – Partnering for Green Growth and the Global Goals 2030

The first high-level multilateral event on green growth hosted by Viet Nam, with Vinamilk participating and affirming its pioneering role in sustainable development.



### Successfully organised the “Connectivity Trip & Talk” Programme at Vinamilk Green Farm Tay Ninh

**17** leading enterprises were brought together to share their experiences in sustainable development



### Tuổi Trẻ Newspaper – “Green Vietnam” Campaign

Podcast series  
**“ESG: From Awareness to Action”**  
 Talk show  
**“Promoting Green Consumption – Towards Sustainable Development”**

Factory visit: Vietnam Dairy Factory tour under the theme  
**“Raising Green Standards – Reducing Emissions”**

# Commitment

## Emergency relief and disaster support

To serve as a reliable social safety net, providing timely support to communities during natural disasters and facilitating recovery in the aftermath of crises.

## Supporting historical, cultural, and sports events

To celebrate and promote Viet Nam's historical, cultural, and sporting values by accompanying and supporting meaningful events, strengthening community connections and fostering national pride.

# Implementation & Impact

In 2025:

**VND 57 billion**

contributed to community support in 2025



“Overcoming Disasters – Advancing the Future 2025” Programme

More than **600,000** products

equivalent to nearly **VND 4 billion** in emergency assistance

delivered to **12 flood-affected communities** across Northern and Central Vietnam

Accompanying major national events

More than **150,000** products

provided in support of participants and visitors at the A50 Festival in Ho Chi Minh City

Nearly **1,000,000** products

supplied in support of the 80th Anniversary of Viet Nam's National Day (2 September) celebrations in Hanoi

Extending nutritional values to communities through cultural events

More than **289,500** products

distributed at the National Congress of Uncle Ho's Good Children

Over **70,000** products

provided in celebration of International Children's Day (1 June) and during the Action Month for Children

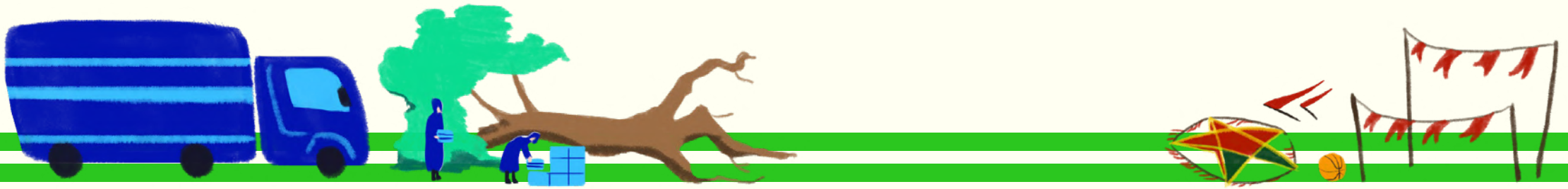
More than **100,000** products

distributed to approximately 10,000 underprivileged children across 22 Mid-Autumn Festival activities

Promoting active lifestyles and enhancing youth health

Over **71,000** products

provided in support of children with special needs, disadvantaged workers, railway staff, and passengers returning home during the Lunar New Year period



# Nutrition care and community health enhancement

## Stand Tall Vietnam Milk Fund

The Stand Tall Vietnam Milk Fund is Vinamilk’s flagship corporate social responsibility program, established in 2008. The program is implemented through cooperation between the **Vietnam Fund for Children (Ministry of Health)** and **Vinamilk**, with a clear mission grounded in humanitarian values.



### To improve nutrition

To provide nutritional support to children in special circumstances and from disadvantaged backgrounds, particularly those living in remote and underserved areas across Viet Nam.



### To enhance physical and intellectual development

To work towards the goal of ensuring that every Vietnamese child has access to milk every day, supporting healthy growth in both physical stature and cognitive development.

### Key figures and impact highlights

**18** years of continuous implementation

**43** million milk cartons distributed nationwide

In 2025 delivered **500,000** milk cartons

**550,000** children across Viet Nam gained access to essential nutrition

Reach over **11,000** children nationwide



In addition to milk donation activities, the program also organized a range of meaningful initiatives for children, including bringing Tet celebrations to 17 SOS Children’s Villages nationwide; accompanying the Ministry of Health in humanitarian activities during June – the Month of Action for Children; organizing Mid- Autumn Festival celebrations for children in various localities across the country etc.

## Establishing nutritional standards for school meals

The **"School Nutrition Care"** programme was piloted by Vinamilk from April to October 2025 in Da Nang and Vinh Long, applying a structured model encompassing baseline assessment, on-site evaluation, menu development, and capacity-building training. This approach supports schools in raising meal quality standards and improving operational effectiveness in school meal provision

**52 schools** were assessed and provided with nutritional consultancy

**1,000 school administrators and kitchen staff** participated in training programmes

**+6 provinces** were identified as expansion targets following the pilot phase



In parallel, the technical expert team finalised the **"School Meals"** report for Nam Sai Gon School, developed **40 balanced menus** for approximately **3,000 students**, and designed **10 region-specific signature dishes** rich in iron, zinc, and calcium. The programme also provided a **menu-planning toolkit** aligned with recommendations from the National Institute of Nutrition, establishing a scalable foundation for broader implementation in subsequent years.

## Expanding coverage and access to nutrition advisory channels

The Nutrition Centre continues to enhance the quality of nutrition counselling and standardise professional knowledge across Vinamilk, while implementing multiple initiatives to expand outreach and improve engagement with consumers.

**16 training sessions** on nutrition, health, and products were delivered

**240 communication contents** were reviewed and validated by technical experts

**16 in-depth articles** were published on the Company's website

**400 enquiries** were received and addressed via letters and hotline calls

The centralised hotline system is integrated with e-commerce, medical, and customer service functions, enabling timely responses to nutrition-related enquiries, effective user guidance for product utilisation, and prompt handling of emerging issues.

## Supporting local community health

Vinamilk collaborated with hospitals and professional funds across multiple provinces to provide nutritional support during medical check-ups and medicine distribution programs, including initiatives with Cho Ray Hospital, Thong Nhat Hospital, the Vietnam Children's Fund, JCI Central Saigon, Alo Bac Si etc.

**VND 500 million**



was contributed to the Ho Chi Minh City Association for Supporting Poor Patients, supporting cardiac and ophthalmological surgeries for disadvantaged individuals.



# Sharing knowledge to inspire sustainable practices

Vinamilk recognises multi-stakeholder collaboration as a key enabler of sustainable development, particularly in advancing the Net Zero 2050 ambition. Beyond internal initiatives, the Company takes a pioneering role in cascading green values to the broader community through a two-way learning approach. In 2025, Vinamilk became a strategic partner to multiple key programs, affirming its pioneering role in building a sustainable development ecosystem.



## P4G – Partnering for Green Growth and the Global Goals 2030

At the P4G Forum, Vinamilk affirmed its leadership position within the dairy sector by sharing its roadmap toward **Net Zero 2050**, with a focus on practical solutions spanning regenerative agriculture and green supply chains. The Company presented representative models for greenhouse gas inventory development, together with its experience in achieving carbon neutrality certification at selected factories and farms. A central message of Vinamilk's contribution was the application of **the green circular economy**, including waste-to-resource conversion and the use of renewable energy, to reduce carbon footprints across the entire product life cycle.

## Connectivity Trip & Talk 2025 – Tay Ninh Farm Trip

Within the framework of its collaboration with the Vietnam Business Council for Sustainable Development (VBCSD), Vinamilk successfully organised the “Connectivity Trip & Talk” Programme at Vinamilk Green Farm Tay Ninh, attracting representatives from 17 leading enterprises for in-depth discussion and experience sharing on green operations. At the event, Vinamilk demonstrated the effectiveness of its **circular economy model** through compelling performance indicators, including 100% water reuse, combined with solar energy systems that significantly reduce greenhouse gas emissions. The application of advanced technologies not only optimises productivity, but also meets stringent Animal Welfare standards, contributing to the establishment of a holistic and sustainable agricultural ecosystem. Not only did the programme receive positive feedback from experts, Vinamilk's role in disseminating sustainable development practices and environmental responsibility across the Vietnamese business community was further reinforced in this event.

## “Green Vietnam” Campaign – Tuổi Trẻ Newspaper

Vinamilk partnered with Tuổi Trẻ Newspaper to deliver the multi-platform communication campaign “Green Vietnam”, with the objective of bringing sustainability concepts closer to the public in a practical and accessible manner. The campaign helps demystify ESG terminology, while clearly linking sustainable nutrition with environmental responsibility.

Within the “Green Vietnam” campaign, Vinamilk participated in three key initiatives:

### Podcast – “ESG: From Awareness to Action”

Presents ESG concepts in an approachable format, enabling audiences to understand and apply sustainability principles in daily life.

### Talk show – “Promoting Green Consumption – Towards Sustainable Development”

Vinamilk representatives share a corporate perspective on green consumption trends and the role of businesses in shaping sustainable consumer behaviour.

### Vietnam Dairy Factory Visit – “Raising Green Standards – Reducing Emissions”

The community had the opportunity to directly experience some of the world's most advanced green manufacturing processes at a plant in Vietnam, thereby spreading inspiration for sustainable living.

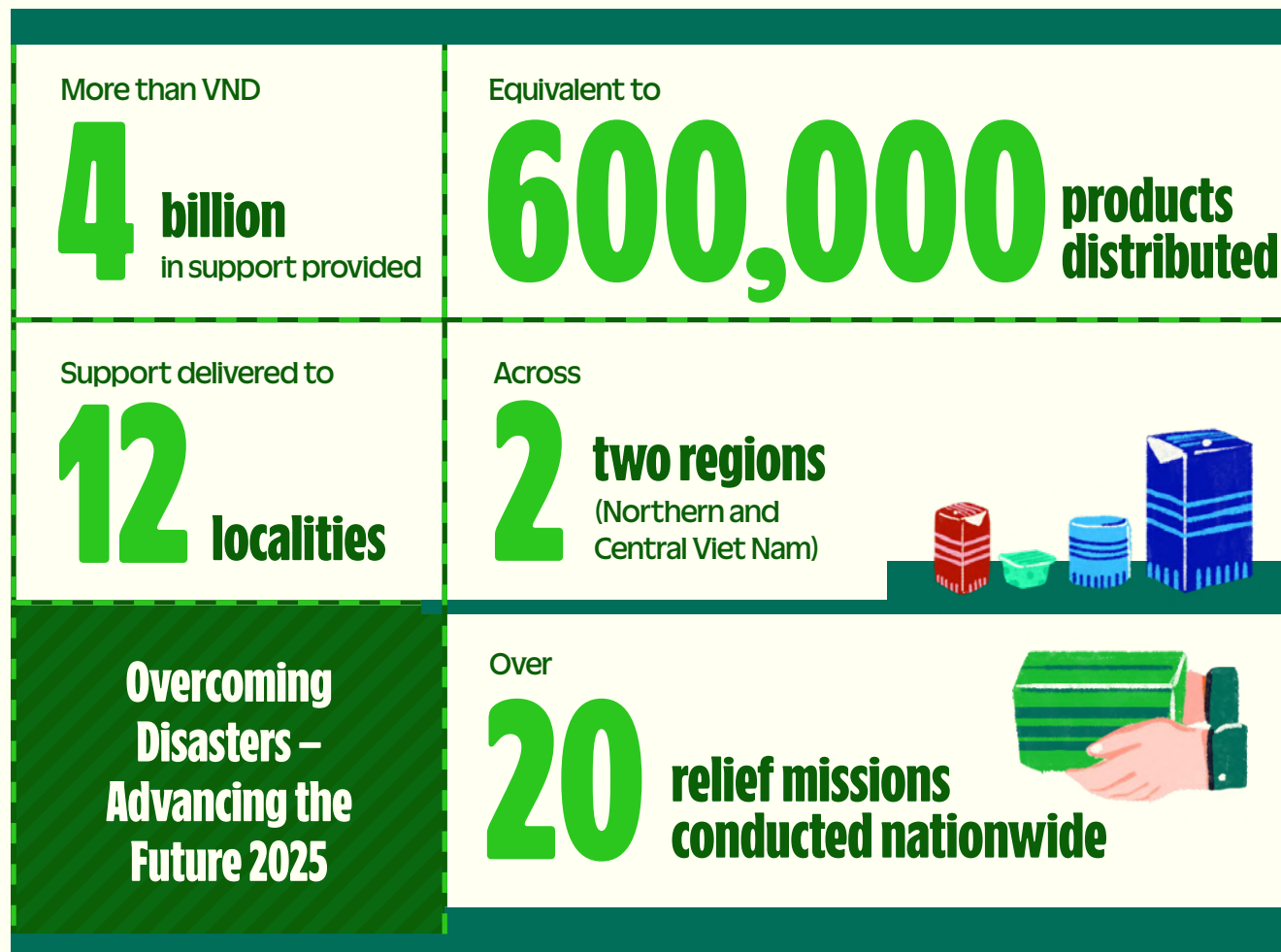
The campaign not only delivers knowledge, but also encourages responsible consumption behaviours, reaffirming Vinamilk's commitment to partnering with society in advancing a more sustainable Vietnam.

# Emergency relief and disaster support

In 2024 and 2025, Vinamilk implemented a series of large-scale disaster relief initiatives, with a strong focus on providing essential nutrition to children in flood-affected areas. In response to the severe impacts of natural disasters, the Company delivered emergency nutritional

support to affected communities, most notably through the "Overcoming Disasters – Advancing the Future 2025" Programme, under which each contribution triggered an additional Vinamilk product donation (one contribution – one additional product).

Through this programme, Vinamilk conducted multiple relief missions across Northern, Central, and Central Highlands provinces, working in close coordination with the Ho Chi Minh Communist Youth Union Central Committee, the Central Council of the Ho Chi Minh Young Pioneer's Organization, and the Viet Nam Fatherland Front, ensuring that relief supplies reached the right places in a timely manner.



# Supporting historical, cultural, and sports events

## Accompanying major national milestones

The year 2025 marked two significant national milestones: **the 50th Anniversary of the Reunification of Viet Nam and the 80th Anniversary of the National Day of the Socialist Republic of Viet Nam**. Amid nationwide celebrations - particularly in Ho Chi Minh City and Hanoi, where large-scale parades, exhibitions, and community festivals took place - Vinamilk provided nutritional support to participants and the public, contributing to the success and collective spirit of these historic events.

More than  
**150,000**  
products

provided at the A50 Festival in Ho Chi Minh City

Nearly  
**1,000,000**  
products

supplied for the 80th National Day (2 September) celebrations in Hanoi

**80** gift packages

presented to female military personnel from Military Regions 7 and 4 participating in the A80 parade and march



Through timely and meaningful contributions, Vinamilk helped amplify national pride and support the individuals directly contributing to the success and momentum of these historic celebrations.

## Promoting active lifestyles and enhancing youth health

Beyond nutrition care, Vinamilk accompanied children and young people through large-scale sports initiatives, including: Olympic Run Day, the Ho Chi Minh City Television Cycling Cup, the Hanoi High School Basketball Tournament, and the Dak Nong Marathon,... to encourage active lifestyles, improve physical fitness, and foster holistic health for the younger generation.

Selected initiatives in 2025 included:

National Olympic Run for Public Health

Nhan Dan Newspaper National Table Tennis Championship

Dak Nong Marathon 2025

37th Ho Chi Minh City Television Cycling Cup

4th Thanh Hoa Newspaper Children's Football Tournament (2025)

Hanoi High School Basketball Championship

6th Viet Nam Young Talent Cup Championship (2025)

## Extending nutritional values to communities through cultural events

Each Vinamilk journey carries genuine care and safe, high-quality nutritional products, ensuring that support goes beyond symbolic giving to become a source of strength for hundreds of thousands of children and community members nationwide.

Over  
**289,500**  
products

provided to children at the National Congress of Uncle Ho's Good Children in Ho Chi Minh City and Hanoi

Over  
**100,000**  
products

products delivered to approximately 10,000 disadvantaged children through 22 Mid-Autumn Festival activities

More than  
**70,000**  
nutritional products

distributed during International Children's Day (1 June) and the Action Month for Children

Over  
**71,000**  
products

products provided to children with special needs, disadvantaged workers, railway employees, and passengers returning home during Lunar New Year's Eve



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## Chapter 4

# Appendices



# Report overview

## Scope of report

### Report-making principles

At Vinamilk, the Sustainable Development Report is prepared annually, aims to present and publish official information related to the goals, orientations and activities related to the Company's Sustainable development. In 2025, the Sustainable Development Report continued to be prepared separately from the Annual Report. All data reported for the year ended on December 31st, 2025.

In this report, the materiality topics were identified based on a combined assessment of stakeholder interest and their impact on Vinamilk. The information presented including Vinamilk's management methods, objectives and orientations for Sustainable development in each period (including short term and long term); Vinamilk's commitments to stakeholders; current status, outstanding programs and activities in the year related to materiality areas; giving the assessments and achievements which the Company achieved during the year, the extent of satisfaction with Vinamilk's commitments and stakeholder's concerns, in order to outline the overall picture of the Company's activities during the year, and provide orientation for Sustainable development for the future.

The report is prepared with reference to the GRI Standards, the international sustainability reporting framework issued by the Global Sustainability Standards Board (GSSB). The report adheres to the most recent updates, including the GRI 2021 Standards and subsequent revisions published by the GSSB during 2024–2025 (such as GRI 101: Biodiversity 2024, GRI 102: Climate Change 2025, and GRI 103: Energy 2025, where applicable). In addition, the report also refers to the relevant GRI Sector Standards for the agriculture and food sector, replacing previous industry-specific guidelines.

Furthermore, as presented in this report, the strategic objectives and activities in Vinamilk orientation were also linked to the United Nations' 17 Sustainable Development Goals, Dairy Sustainability Framework (DSF) and the United Nations Global Compact (UNGC).

### Units included in the report

The scope of Vinamilk's operational reporting includes its branches, subsidiaries, and affiliated entities in which Vinamilk holds controlling interest, specifically:

- The Headquarter, 13 Factories, 03 Branches, 02 Logistics facilities, 04 Logistics enterprises and 01 Cu Chi Raw Milk Center.
- Vietnam Dairy Cow One Member Company Limited
- Thong Nhat Thanh Hoa Dairy Cow Company Limited
- Angkor Dairy Products Co., Ltd. (Cambodia) (except for criteria related to nutritional and health quality - GRI FP6)
- An Khang Clinic
- Vietnam Sugar Joint Stock Company (except for criteria related to waste GRI 306-3, GRI 306-4, GRI 306-5, nutritional quality and health - GRI FP6 and quantity of milk purchased from farmers - GRI 203-2)
- Moc Chau Dairy Cow Breed Joint Stock Company

Any comments or questions related to the report, please contact directly on Vinamilk's Website, at Feedback information (<http://www.vinamilk.com.vn/?vnm=FAQ>) or email to the member in charge of the Sustainable Development Program.



### Independent limited assurance for sustainable development report

To provide accurate and reliable information about sustainable development performance to stakeholders, Vinamilk's 2025 Sustainability Report continues to be assured by PwC Vietnam. Vinamilk affirms that there is no conflict of interest in appointing the assurance service provider. The selected sustainability indicators cover key areas in economic, environmental, and social fields as follows:

- Amount of milk purchased from households (kg) – GRI 203-2 (page 111);
- Percentage (%) of reduced-sugar products, percentage (%) of no added sugar products, percentage (%) of lower-fat products, percentage (%) of products fortified with vitamins and minerals, percentage (%) of products fortified with soluble fiber, percentage (%) of probiotic products, percentage (%) of organic products, percentage (%) of naturally fermented products, percentage (%) of plant-based products and percentage (%) of high-protein products in the product structure (GRI Food processing sector) – GRI FP6 (page 40);
- Total amount of GHG emissions (kg CO<sub>2</sub>) – GRI 305 (page 139);
- Total amount of energy consumption (MJ) – GRI 302-1 (page 138);
- Total water withdrawal (m<sup>3</sup>) by the source – GRI 303-3 (pages 83 and 139);
- Total water discharge (m<sup>3</sup>) by types of destination – GRI 303-4 (page 139);
- Total water consumption (m<sup>3</sup>) – GRI 303-5 (page 139);
- Percentage (%) of recycled and reused water in production (page 86);
- Total weight of waste (kg) by type – GRI 306-3 (page 139);
- Total weight of waste diverted from disposal (kg) using the recovery operations of preparation for reuse, recycling, and others – GRI 306-4 (page 139);
- Total weight of waste directed to disposal (kg) using the disposal operations of incineration, landfilling and others – GRI 306-5 (page 139);
- Total workers covered by an occupational health and safety management system – GRI 403-8 (pages 100 and 142);
- Rate of work-related injuries – GRI 403-9 (pages 95 and 143); and
- Rate of work-related ill health – GRI 403-10 (pages 95 and 143).

# Members in charge of the sustainable development program

## Strategy Committee

Approve policies and joint statements regarding Sustainability. Supervise strategy development, implementation, and execution. Provide orientation on sustainable and responsible development.

The CEO directly directs the program and assigns the participants in the program including:

## Product liability

### Mr. Nguyen Quoc Khanh

Executive Director of Research and Development

Generally responsible for the product issues  
Email: nqkhanh@vinamilk.com.vn

### Ms. Bui Thi Thu Hoai

Research and Development Director

Responsible for product research and development  
Email: btthoai@vinamilk.com.vn

### Ms. Hoang Thanh Van

Head of Product Management

Responsible for product research and development  
Email: htvan@vinamilk.com.vn

## Working environment

### Ms. Bui Thi Huong

Executive Director of Corporate Affairs

Take an overall responsibility  
Email: bthuong@vinamilk.com.vn

### Mr. Nguyen Tuong Huy

Human Resource Director

Responsible for human resources and work environment  
Email: nthuy@vinamilk.com.vn

### Mr. Le My Ha

Head of Recruitment and Labour Relations

Responsible for recruitment, employment management, promotion and occupational health and safety issues  
Email: lmha@vinamilk.com.vn

### Mr. Do The Tuyen

Head of Salary Division

Responsible for salary, bonus and welfare issues for employees  
Email: dttuyen@vinamilk.com.vn

## Environment & energy

### Mr. Le Hoang Minh

Executive Director of Production

Responsible for environmental and energy issues in production activities  
Email: lhminh@vinamilk.com.vn

### Mr. Nguyen Quoc Phong

Head of Energy, Environment & Circular Economy

Responsible for implementing environmental management and energy saving activities  
Email: nqphong@vinamilk.com.vn

### Mr. Doan Quoc Khanh

Director of Raw Material Area Development

Responsible for agricultural activities, animal husbandry and veterinary medicine  
Email: dqkhanh@vinamilk.com.vn

### Mr. Nguyen Trung

Senior Director of Supply Chain

Responsible for implementing environmental and energy management activities in supply activities  
Email: ntrung@vinamilk.com.vn

## Coordination and reporting group

Responsible for coordination, aggregation of programs and reporting with the following members:

### Mr. Nguyen Tuong Huy

Director of System - Risk Management and Legal Department

Email: nthuy@vinamilk.com.vn

### Ms. Le Hoang Anh

Head of Internal Control for Quality Management and Standards

Email: lhanh@vinamilk.com.vn

### Mr. Nguyen Hoang Nho

Head of System management, Standards Sustainable Development

Email: nhnho@vinamilk.com.vn

### Ms. Tran Nguyen Kim Phuong

Head of Internal Control for R&D, Production, and Dairy Farm Development

Email: tnkphuong@vinamilk.com.vn

## Investor relations

### Ms. Vu Thi Minh Nguyet

Financial Management Director (in charge of IR)

Email: vtmnguyet@vinamilk.com.vn



# Independent limited assurance report

## To the Board of Management of Vietnam Dairy Products Joint Stock Company

We have conducted a limited assurance engagement on the selected sustainability development indicators of Vietnam Dairy Products Joint Stock Company ("Vinamilk") for the reporting year started on 1 January 2025 and ended on 31 December 2025 selected and reported in Vinamilk's Sustainable Development Report 2025 (hereinafter referred to as "selected Sustainability Indicators").

## Responsibilities for the Selected Sustainability Indicators

The Board of Management of Vinamilk is responsible for:

- the preparation and presentation of Vinamilk's Sustainable Development Report 2025 pertaining to the reporting scope described in page 133 of the report, in which the Sustainability Indicators selected for our limited assurance engagement are presented;
- designing, implementing and maintaining such internal controls as the Board of Management determines is necessary to enable the preparation of the selected Sustainability Indicators, following its internal policies, principles on sustainability reporting and pertaining to the reporting scope described on page 133 of Vinamilk's Sustainable Development Report 2025, that is free from material misstatement, whether due to fraud or error; and
- the selection of the Sustainability Indicators for our limited assurance engagement and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

## Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Our Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the selected Sustainability Indicators are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selected Sustainability Indicators.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain

professional scepticism throughout the engagement. We also:

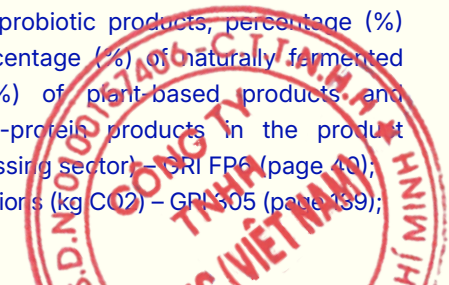
- determine the suitability in the circumstances of Vinamilk's use of its internal policies, reporting scope and principles on sustainability reporting as presented on page 133 as the basis for the preparation of the selected Sustainability Indicators;
- perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of Vinamilk's internal control; and
- design and perform procedures responsive to where material misstatements are likely to arise in the selected Sustainability Indicators. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Subject Matter

The selected Sustainability Indicators, on which we provide limited assurance, consist of:

- Amount of milk purchased from households (kg) – GRI 203-2 (page 111);
- Percentage (%) of reduced-sugar products, percentage (%) of no added sugar products, percentage (%) of lower-fat products, percentage (%) of products fortified with vitamins and minerals, percentage (%) of products fortified with soluble fiber, percentage (%) of probiotic products, percentage (%) of organic products, percentage (%) of naturally fermented products, percentage (%) of plant-based products, and percentage (%) of high-protein products in the product structure (GRI Food processing sector) – GRI FP6 (page 40);
- Total amount of GHG emissions (kg CO<sub>2</sub>) – GRI 305 (page 139);



- Total amount of energy consumption (MJ) – GRI 302-1 (page 138);
- Total water withdrawal (m3) by the source – GRI 303-3 (pages 83 and 139);
- Total water discharge (m3) by types of destination – GRI 303-4 (page 139);
- Total water consumption (m3) – GRI 303-5 (page 139);
- Percentage (%) of recycled and reused water in production (page 86);
- Total weight of waste (kg) by type – GRI 306-3 (page 139);
- Total weight of waste diverted from disposal (kg) using the recovery operations of preparation for reuse, recycling, and others – GRI 306-4 (page 139);
- Total weight of waste directed to disposal (kg) using the disposal operations of incineration, landfilling and others – GRI 306-5 (page 139);
- Total workers covered by an occupational health and safety management system – GRI 403-8 (pages 100 and 142);
- Rate of work-related injuries – GRI 403-9 (pages 95 and 143); and
- Rate of work-related ill health – GRI 403-10 (pages 95 and 143).

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the selected Sustainability Indicators, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of Vinamilk's reporting processes relevant to the preparation of selected Sustainability Indicators by inquiries of personnel responsible for internal reporting and data collection at the corporate and when appropriate at business unit level for the selected Sustainability Indicators, and obtaining an understanding of the procedures as to how the Sustainability Indicators are gathered, collated, and aggregated internally;
- Evaluated whether all information identified by the process to identify the information reported in the selected Sustainability Indicators is included in the selected Sustainability Indicators;
- Performed analytical procedures on selected information in the selected Sustainability Indicators;
- Performed substantive assurance procedures on selected information in the selected Sustainability Indicators; and
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information.

Our limited assurance engagement has been undertaken in respect of the selected Sustainability Indicators for the reporting year started on 1 January 2025 and ended on 31 December 2025 as reported in the Sustainable Development Report 2025 only. Our limited assurance has not been provided for information or data pertaining to earlier periods or any other elements included in the Sustainable Development Report 2025 and, therefore, do not express any conclusion thereon.

## Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the selected Sustainability Indicators. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected Sustainability Indicators' information for the reporting year started on 1 January 2025 and ended on 31 December 2025 as presented in Vinamilk's Sustainable Development Report 2025 is not prepared, in all material respects, in accordance with its internal policies, reporting scope and principles on sustainability reporting as presented on page 133.

## Restriction on Distribution and Use

Our report has been prepared solely for the Board of Management of Vinamilk in accordance with the scope of work as set out in

the Engagement Letter dated 3 January 2026 in connection with presentation of the Sustainability Indicators selected for our limited assurance engagement pertaining to the reporting scope described on page 133 of Vinamilk's Sustainable Development Report 2025 and should not be used or relied upon for any other purposes. Our report is not to be shown or distributed to any third party in whole or in part. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

## Other Matter

The independent limited assurance report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited

**Nguyen Hoang Nam**

Vice General Director

Authorised signatory



Audit Practising Licence No.

0849-2023-006-1

Ho Chi Minh City, Vietnam

15 April 2026

Reference Report Number: HCM18469

The maintenance and integrity of the Vinamilk website is the responsibility of the Board of Management; the work carried out by the assurance provider does not involve consideration of these matters and, accordingly, the assurance provider accepts no responsibility for any differences between the information of selected Sustainability Indicators of Vinamilk on which the assurance report was issued and the information of selected Sustainability Indicators presented on the website

# Environmental Data

The scope of data collection	Unit	2023	2024	2025
Total number of sites within the scope of data collection	Number of sites	26	26	26
<b>ISO 14001 certification</b>				
Total number of ISO 14001 certified sites	Number of sites	15	15	15
Percentage of ISO 14001 certified sites	%	58%	58%	58%
<b>ISO 50001 certification</b>				
Total number of ISO 50001 certified sites	Number of sites	13	13	13
Percentage of ISO 50001 certified sites	%	50%	50%	50%
<b>ISO 45001 certification</b>				
Total number of ISO 45001 certified sites	Number of sites	14	14	14
Percentage of ISO 45001 certified sites	%	54%	54%	54%
<b>ISO 14064-1 verification</b>				
Total number of ISO 14064-1 verified sites	Number of sites	13	13	13
Percentage of ISO 14064-1 verified sites	%	50%	50%	50%
<b>ISO 14068-1 verification</b>				
Total number of ISO 14068-1 verified sites	Number of sites	0	1	2
Percentage of ISO 14068-1 verified sites	%	0%	4%	8%
<b>Sedex Smeta</b>				
Total number of Sedex Smeta verified sites	Number of sites	3	4	4
Percentage of Sedex Smeta verified sites	%	12%	15%	15%
<b>ISO 27001 certification</b>				
Total number of ISO 27001 certified sites	Number of sites	1	1	1
Percentage of ISO 27001 certified sites	%	4%	4%	4%

Energy	Unit	2023	2024	2025
<b>Electricity</b>				
EVN electricity consumption	kWh	194,184,416	197,743,510	194,318,680
Solar electricity consumption	kWh	22,021,983	23,158,792	24,030,774
Biomass electricity consumption	kWh	27,313,706	33,208,231	39,627,902
<b>Total electricity consumption</b>	<b>kWh</b>	<b>243,520,105</b>	<b>254,110,534</b>	<b>257,977,356</b>
<b>Total equivalent electricity energy</b>	<b>MJ</b>	<b>876,830,180</b>	<b>876,830,180</b>	<b>928,885,650</b>
Percentage of solar electricity	%	9%	9%	9%
Percentage of solar and biomass electricity	%	20%	22%	25%
Biomass electricity only originates from VIETNAM SUGAR JOINT STOCK COMPANY.				
<b>Biomass</b>				
Consumption amount	ton of steam	232,376	253,718	675,990
<b>CNG</b>				
Consumption amount	mm BTU	200,385	211,278	199,883
<b>Diesel Oil</b>				
Consumption amount	Litres	7,732,637	7,835,325	7,818,609
<b>Fuel Oil</b>				
Consumption amount	Litres	1,380,394	1,268,037	1,313,576
<b>GAS</b>				
Consumption amount	Kg	255,303	203,278	195,844
<b>Gasoline</b>				
Consumption amount	Litres	472,320	442,255	455,895
<b>Fossil Coal</b>				
Consumption amount	Kg	582,429	293,175	3,385
In 2025, biomass steam from Vietnam was added to the assurance scope. Coal was generated solely by the Moc Chau Milk plant and was discontinued as of March 2025.				
<b>Total</b>				
<b>Total Energy Consumption of all elements (*)</b>	<b>MJ</b>	<b>2,288,287,687</b>	<b>2,401,191,586</b>	<b>3,881,427,626</b>
<b>Total Energy Consumption of Vinamilk (**)</b>	<b>MJ</b>	<b>2,177,303,932</b>	<b>2,387,796,362</b>	<b>2,269,469,762</b>
Intensity of Energy consumption of dairy products	MJ/ton of product	1,813	2,043	1,987

(\*) In 2025, biomass steam from Vietnam was added to the assurance scope.

(\*\*) Total energy consumption includes Vinamilk entities within the reporting boundary, excluding Vietnam Sugar Joint Stock Company.

Waste	Unit	2023	2024	2025
Hazardous waste	Kg	186,816	190,747	198,659
Non-hazardous waste	Kg	17,197,092	17,693,760	86,704,616
Total waste by type	Kg	17,383,908	17,884,507	86,903,275
Total amount of waste reused, recycled and otherwise recovery	Kg	7,959,466	8,019,430	66,664,726
Total amount of waste treated by methods such as incineration, landfill	Kg	9,424,442	9,865,077	20,238,549

In 2025, the assurance scope was expanded to include non-hazardous industrial solid waste requiring treatment, and livestock solid waste (dewatered manure after pressing, leftover feed, and bedding materials).

In 2025, all waste data of Vietnam Sugar Joint Stock Company was excluded from the assurance scope.

For 2023 and 2024, data on sludge waste (classified as non-hazardous industrial solid waste requiring treatment) was updated and included for comparison with the 2025 data.

Water	Unit	2023	2024	2025
Surface water	m <sup>3</sup>	1,247,860	1,398,768	1,714,901
Municipal water	m <sup>3</sup>	3,371,961	3,632,192	3,658,236
Groundwater	m <sup>3</sup>	3,283,295	3,130,330	2,588,267
Total raw water intake	m <sup>3</sup>	7,903,116	8,161,290	7,961,404
Recycled/ Reused water	m <sup>3</sup>	125,108	167,837	221,556
Total wastewater discharge	m <sup>3</sup>	3,772,728	4,039,059	4,175,921
Total water consumption	m <sup>3</sup>	4,130,388	4,122,231	3,785,482

Greenhouse gas emissions	Unit	2023	2024	2025
<b>CO2 EMISSIONS SCOPE 1, 2 (*)</b>				
Scope 1	Kg CO <sub>2</sub> equivalent	145,040,596	120,381,773	122,558,524
Scope 2	Kg CO <sub>2</sub> equivalent	132,689,418	131,793,601	130,794,838
Total Scope 1 & 2	Kg CO <sub>2</sub> equivalent	277,730,014	252,175,374	253,353,363
Total of scope 1 and scope 2 from Vinamilk (*)	Kg CO <sub>2</sub> equivalent	271,870,812	249,289,189	248,009,687
Total Scope 1 & 2 of Vietsugar	Kg CO <sub>2</sub> equivalent	5,859,202	2,886,185	5,343,675
Average volume/ton of dairy products	Kg CO <sub>2</sub> equivalent/ ton of products	226	213	217
Average volume/ton of sugar products	Kg CO <sub>2</sub> equivalent/ ton of products	85	36	61

(\*) Total emissions include all entities within the reporting boundary, excluding Vietnam Sugar Joint Stock Company.

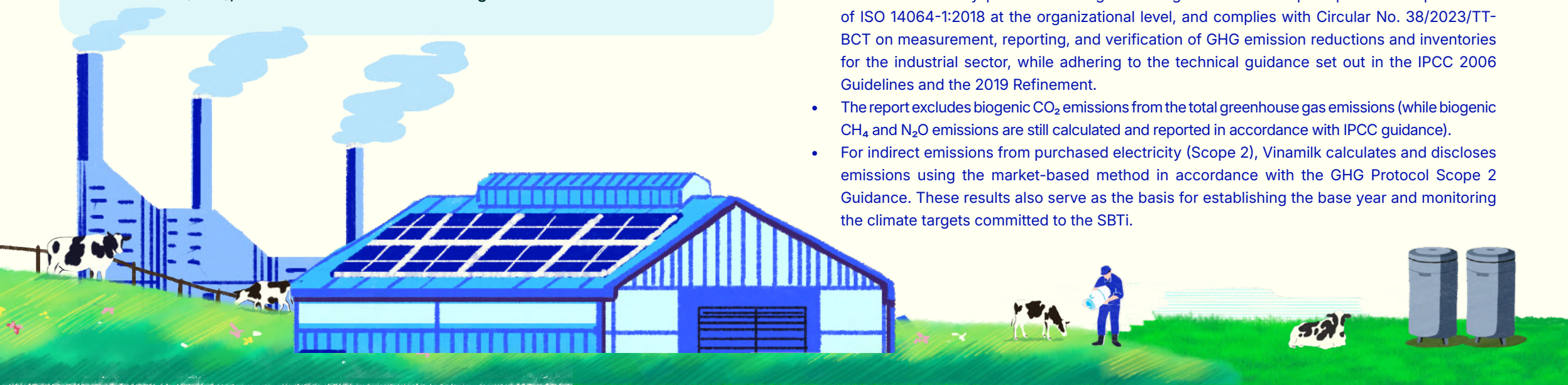
# Basis of reporting and greenhouse gas inventory methodology

## Inventory Boundary and Base Year

- ▶ **Vinamilk applies the operational control approach in accordance with the GHG Protocol, encompassing facilities over which Vinamilk or its subsidiaries have full authority to introduce and implement operational and environmental management policies.**
- ▶ **The reporting boundary of this report covers Scope 1 and Scope 2 greenhouse gas emissions, as detailed below:**
  - Scope 1 (Non-FLAG): Direct emissions from stationary and mobile combustion sources (diesel oil, fuel oil, petrol/ gasoline, LPG, CNG, coal); refrigerant leakage and industrial wastewater treatment.
  - Scope 1 (FLAG): Direct emissions from enteric fermentation of livestock (e.g., belching from dairy cattle and calves).
  - Scope 2 (Non-FLAG): Indirect emissions from purchased energy, including electricity and steam.
- ▶ **The year 2022 has been selected as the base year for tracking the emissions reduction pathway and managing the climate targets committed to the Science Based Targets initiative (SBTi), consistent with the submitted target documentation.**

## Activity Data Sources, Emission Factors, and Calculation Methodology

- Activity data for the greenhouse gas inventory are consolidated from internal management systems, energy consumption records, manufacturing and livestock operations, and supply chain and logistics activities within Vinamilk's operational control boundary, together with relevant supporting documentation.
- The greenhouse gases included in the inventory comprise CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and F-gases (such as HCFCs and HFCs used as refrigerants), which are converted to carbon dioxide equivalent (CO<sub>2</sub>e).
- Emission factors for diesel, petrol, gas, LPG, CNG, coal, industrial wastewater, refrigerants, and enteric fermentation from dairy cattle and calves (Scope 1) are applied in accordance with Decision No. 2626/QĐ-BTNMT, supplemented by the IPCC 2006 and 2019 Refinement Guidelines.
- The grid electricity emission factor (Scope 2) is applied in accordance with Official Dispatch No. 1726/BĐKH-PTCBT dated 3 December 2024, issued by the Department of Climate Change, Ministry of Natural Resources and Environment of Vietnam.
- Global Warming Potential values (GWP-100) are applied based on the updated figures published in the Sixth Assessment Report (AR6) of the IPCC, as compiled and recommended for application by the GHG Protocol.
- The GHG inventory process is designed in alignment with the principles and requirements of ISO 14064-1:2018 at the organizational level, and complies with Circular No. 38/2023/TT-BCT on measurement, reporting, and verification of GHG emission reductions and inventories for the industrial sector, while adhering to the technical guidance set out in the IPCC 2006 Guidelines and the 2019 Refinement.
- The report excludes biogenic CO<sub>2</sub> emissions from the total greenhouse gas emissions (while biogenic CH<sub>4</sub> and N<sub>2</sub>O emissions are still calculated and reported in accordance with IPCC guidance).
- For indirect emissions from purchased electricity (Scope 2), Vinamilk calculates and discloses emissions using the market-based method in accordance with the GHG Protocol Scope 2 Guidance. These results also serve as the basis for establishing the base year and monitoring the climate targets committed to the SBTi.



## Relevant Changes

During the 2025 reporting period, Vinamilk implemented a set of refinements to the greenhouse gas inventory methodology and data boundary to enhance the accuracy and completeness of quantified emissions results. These updates primarily relate to selected source categories with specific operational characteristics and the application of emission factors and calculation parameters that better reflect actual operating conditions and the latest technical guidance. The improvements also strengthen data traceability through updated supporting documentation and internal validation checks.

No.	Key change item	2024	2025	Remarks
1	<b>Industrial wastewater</b>	<ul style="list-style-type: none"> <li>Assumed that all generated CH<sub>4</sub> is emitted to the atmosphere.</li> <li>Applied a CH<sub>4</sub> conversion factor of 0.3 for the aerobic treatment stage.</li> <li>N<sub>2</sub>O emissions from the biological treatment plant were not calculated.</li> <li>Applied calculation of N<sub>2</sub>O emissions in the effluent discharged to receiving water bodies for all plants.</li> </ul>	<ul style="list-style-type: none"> <li>Excluded the actual amount of CH<sub>4</sub> that is flared/combusted during anaerobic treatment.</li> <li>Updated the CH<sub>4</sub> conversion factor to 0 for the aerobic treatment stage.</li> <li>Added calculation of N<sub>2</sub>O emissions generated at the biological treatment plant.</li> <li>Limited calculation of N<sub>2</sub>O emissions in effluent discharged to receiving water bodies to plants within the applicable scope.</li> </ul>	These adjustments are intended to more accurately reflect actual operational practices at each treatment stage and align with IPCC guidance. Quantified results may decrease compared to the prior period due to methodological changes and do not reflect changes in actual operations.
2	<b>GWP-100 factor for CH<sub>4</sub></b>	<ul style="list-style-type: none"> <li>Applied a factor of 27.9 (per IPCC AR6 – WGI Chapter 7; applied uniformly to all CH<sub>4</sub> emission sources).</li> </ul>	<ul style="list-style-type: none"> <li>Applied a factor of 27 (per IPCC AR6 – WGIII Annex II; provides more detailed specification for biogenic emissions and fossil fuel combustion-related CH<sub>4</sub> emissions).</li> </ul>	
3	<b>Biomass boilers and biomass generators</b>	<ul style="list-style-type: none"> <li>Calculated emissions using emission factors based on the amount of biomass steam/electricity generated.</li> <li>Biomass steam data from Vietnam Sugar Joint Stock Company (Vietsugar) had not been collected.</li> </ul>	<ul style="list-style-type: none"> <li>Changed the calculation approach to apply emission factors based on input materials/fuels rather than biomass steam/electricity output.</li> <li>Added data collection and emission calculation for biomass steam supplied by Vietnam Sugar Joint Stock Company (Vietsugar).</li> </ul>	The adjustment increases the reported emissions for this source group, reflecting a more complete inventory boundary rather than an actual increase in emissions.
4	<b>Domestic (municipal) wastewater</b>	<ul style="list-style-type: none"> <li>Data for emission calculation had not been collected for the following units: An Khang Clinic, Head Office, Ho Chi Minh Logistics Enterprise, and Can Tho Transportation &amp; Dispatching Unit.</li> </ul>	<ul style="list-style-type: none"> <li>Added calculation for the following units: An Khang Clinic, Head Office, Ho Chi Minh Logistics Enterprise, and Can Tho Transportation &amp; Dispatching Unit.</li> </ul>	
5	<b>Refrigerants</b>	Not included in the assurance scope of the report.	Added assurance coverage and emission calculation.	

Adjustments to emission factors and updates to calculation methodologies may result in certain discrepancies when comparing emissions data across years. Therefore, fluctuations in total annual emissions should be assessed as the combined outcome of actual operational changes, methodological updates, and the Company's substantive efforts to reduce emissions.



# Employee Indicators 2025

## Number of employees

Employee	Male	Female	Total
<b>By type of employment contract</b>	<b>6,725</b>	<b>2,339</b>	<b>9,064</b>
Indefinite-term contract	5,670	1,815	7,485
Definite-term contract	971	473	1,444
Probation contract	84	51	135
<b>By job function / sector</b>	<b>6,725</b>	<b>2,339</b>	<b>9,064</b>
Manufacturing and processing (at factories)	2,752	503	3,255
Sales	561	124	685
Support functions (administration, back office, accounting, etc.)	2,482	1,352	3,834
Agricultural activities (farms)	930	360	1,290
<b>By age group</b>	<b>6,725</b>	<b>2,339</b>	<b>9,064</b>
+ Under 30	939	415	1,354
+ 30 to 40	2,812	979	3,791
+ 40 to 50	2,154	763	2,917
+ 50 and above	820	182	1,002

## Management levels

Management level	Male	Female	Total
<b>By age group</b>	<b>474</b>	<b>201</b>	<b>675</b>
+ Under 30	5	7	12
+ 30 to 40	144	90	234
+ 40 to 50	220	87	307
+ 50 and above	105	17	122
<b>By job function/sector</b>	<b>474</b>	<b>201</b>	<b>675</b>
Manufacturing and processing (at factories)	75	15	90
Sales	76	15	91
Support functions (administration, back office, accounting, etc.)	274	163	437
Agricultural activities (farms)	49	8	57

## Number of newly hired employees

Employee	Male	Female	Total
<b>By job function/sector</b>	<b>744</b>	<b>356</b>	<b>1,100</b>
Manufacturing and processing (at factories)	218	25	243
Sales	207	28	235
Support functions (administration, back office, accounting, etc.)	246	261	507
Agricultural activities (farms)	73	42	115
<b>By age group</b>	<b>744</b>	<b>356</b>	<b>1,100</b>
+ Under 30	348	189	537
+ 30 to 40	294	147	441
+ 40 to 50	97	19	116
+ 50 and above	5	1	6

## Employee turnover

Employee	Male	Female	Total
<b>By job function/sector</b>	<b>855</b>	<b>282</b>	<b>1,137</b>
By job function/sector	214	56	270
Manufacturing and processing (at factories)	207	21	228
Sales	343	182	525
Support functions (administration, back office, accounting, etc.)	91	23	114
<b>By age group</b>	<b>855</b>	<b>282</b>	<b>1,137</b>
+ Under 30	233	117	350
+ 30 to 40	368	91	459
+ 40 to 50	175	33	208
+ 50 and above	79	41	120

## Occupational Health and Safety Indicators

	2023	2024	2025
Rate of work-related ill health (a)	0.09	0.11	0.11
Rate of work-related injuries (b)	0.20	0.06	0.07

## Training and Development Indicators (including Vinamilk, Vietnam Dairy Cow, Thong Nhat Thanh Hoa Dairy Cow)

Training data	2023	2024	2025
Number of training courses conducted	523	686	712
Number of participants attending training courses	30,221	38,125	34,886

Average training hours	2023	2024	2025
Management	31.1	28.7	31.1
Employees	49.1	50.3	46.1
Male	50.5	51.7	48.5
Female	39.0	39.1	34.4

### NOTES ON OCCUPATIONAL HEALTH AND SAFETY INDICATORS:

- The occupational health and safety indicators are consolidated within the reporting scope of the Company.
- Cases of occupational accidents and occupational diseases are recorded in accordance with the applicable laws of Viet Nam. The calculation and normalization of the indicators are carried out in line with the guidance of GRI Standard 403, consistent with the principles of the International Labour Organization (ILO). Data are monitored and managed within the framework of the Occupational Health and Safety (OHS) management system in accordance with ISO 45001.
- The factor of 200,000 is used to standardize the indicators, representing the total number of hours worked by 100 full-time employees in one year (50 weeks × 40 hours per week).
- Methodology for indicator calculation:
  - Rate of work-related ill health

$$\text{Work-related ill health rate} = \frac{\text{Number of work-related ill health cases} \times 200,000}{\text{Total actual hours worked}}$$

Where the number of work-related ill health cases is compiled based on the unit's occupational disease monitoring records.

- Rate of work-related injuries

$$\text{Work-related injuries rate} = \frac{\text{Number of work-related injuries cases} \times 200,000}{\text{Total actual hours worked}}$$

Where the number of work-related injuries is compiled based on records of occupational accidents occurring in the course of performing work activities of the unit.

In 2025, Vinamilk continued to monitor, assess, and control of occupational health and safety indicators across the entire system.

The number of occupational accidents occurring in the course of work showed a slight decrease compared to the previous year, while the situation of occupational diseases remained stable and under control.

These results reflect the effectiveness of the occupational health and safety management system implemented in a consistent manner, together with enhanced risk identification, working condition monitoring, and increased safety awareness among employees. The Company continues to consider occupational health and safety as a key element of its operational governance, with a focus on continuous improvement to mitigate risks and protect the health of employees across the entire system.

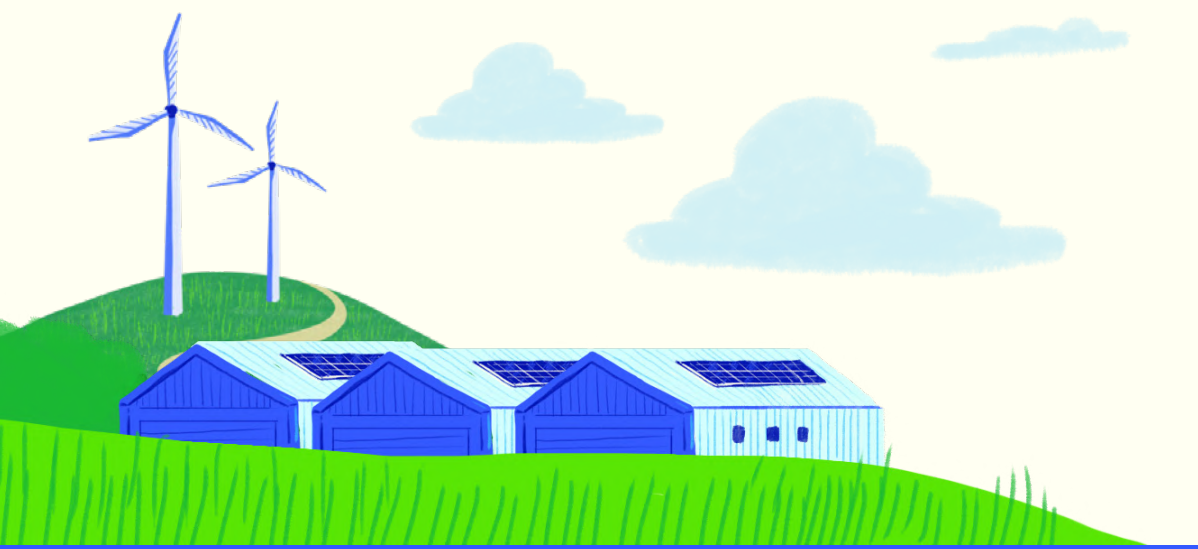


# 2025 GRI Content index

Vinamilk adheres to the Global Reporting Initiative (GRI) Standards in measuring and communicating its environmental, economic, social, and governance performance. For the reporting period of January 1, 2025 to December 31, 2025, Vinamilk has prepared its report in accordance with the GRI Standards including GRI 1: Foundation 2021. There are no relevant GRI Sector Standards applicable to Vinamilk's operations.

This marks Vinamilk's 13 consecutive years of using the GRI Standards framework to guide its reporting process. The report covers disclosures specific to Vinamilk as an organization under the GRI General Disclosures section. For other disclosures, the scope is clearly identified in the referenced documents.

STATEMENT OF USE	
GRI 1 USED	GRI 1: FOUNDATION 2021
Applicable GRI Sector Standard(s)	N/A



GRI standard and disclosures		Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 2: General Disclosures 2021</b>			
2-1	Organizational details	✓	152
2-2	Entities included in the organization's sustainability reporting	✓	133
2-3	Reporting period, frequency and contact point	✓	133, 152
2-4	Restatements of information	✓	139
2-5	External assurance	✓	135, 136
2-6	Activities, value chain and other business relationships	✓	6, Annual Report pages 12-13, 16-17
2-7	Employees	✓	96, 142
2-8	Workers who are not employees	⊗	<b>Information not available</b> External workers performing contracted work or services are not employees of Vinamilk. The deployment and management of such workers are the responsibility of contractors. Therefore, Vinamilk does not have information regarding the nature of the work performed or the number of external workers involved.
2-9	Governance structure and composition	✓	9, 11, Annual Report pages 28-47, 126-185
2-10	Nomination and selection of the highest governance body	✓	9, 11, Annual Report pages 28-47, 126-186
2-11	Chair of the highest governance body	✓	9, 11, Annual Report pages 28-47, 126-187
2-12	Role of the highest governance body in overseeing the management of impacts	✓	9, 11, Annual Report pages 28-47, 126-188

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
2-13	Delegation of responsibility for managing impacts	✓ 11, 134
2-14	Role of the highest governance body in sustainability reporting	✓ 11, 134
2-15	Conflicts of interest	✓ 13, 14, Annual Report pages 64-67, 138-139, 76-178
2-16	Communication of critical concerns	✓ 18-26
2-17	Collective knowledge of the highest governance body	✓ 11, Annual Report pages 28-47
2-18	Evaluation of the performance of the highest governance body	✓ 16, Annual Report pages 60-73, 180-181
2-19	Remuneration policies	✓ Annual Report pages 58-60
2-20	Process to determine remuneration	✓ Annual Report pages 58-60, 63, 128, 166-167, 176
2-21	Annual total compensation ratio	✓ Annual Report pages 58-60, 63, 128, 153-155
2-22	tatement on sustainable development strategy	✓ 3-16
2-23	Policy commitments	✓ 3-16
2-24	Embedding policy commitments	✓ 3-16
2-25	Processes to remediate negative impacts	✓ Annual Report pages 188-189, 147-149, 161
2-26	Mechanisms for seeking advice and raising concerns	✓ 16, 44, 101
2-27	Compliance with laws and regulations	✓ 14-15, 41, 45, 48, 51, 57-58, 82, 85, 96-98, 106, 122
2-28	Membership associations	✓ 18-20
2-29	Approach to stakeholder engagement	✓ 18-20
2-30	Collective bargaining agreements	✓ 96, 101

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 3 Material Topics 2021</b>		
3-1	Process to determine material topics	✓ 21-26
3-2	List of material topics	✓ 25-26
3-3	Management of material topics	✓ 26-122
<b>GRI 101 Biodiversity 2024</b>		
101-1	Policies to halt and reverse biodiversity loss	✓ 73-74
101-2	Management of biodiversity impacts	✓ 73-79
101-3	Access and benefit-sharing	✓ 73-79
101-4	Identification of biodiversity impacts	✓ 73-79
101-5	Locations with biodiversity impacts	✓ 73-79
101-6	Direct drivers of biodiversity loss	✓ 73-79
101-7	Changes to the state of biodiversity	✓ 73-79
101-8	Ecosystem services	✓ 73-79
<b>GRI 201 Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	✓ 6, 105, 111-112, 115, 119, 122, 125-131, Annual Report pages 210-219
201-2	Financial implications and other risks and opportunities due to climate change	✓ 9-10, 26, 50, 58, 70, 76, Annual Report pages 192-197
201-3	Defined benefit plan obligations and other retirement plans	✓ 105-107
201-4	Financial assistance received from government	✗ No relevant information is disclosed in this report.

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 202 Market Presence 2016</b>		
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	✓	105-106
202-2 Proportion of senior management hired from the local community	✓	95
<b>GRI 203 Indirect Economic Impacts 2016</b>		
203-1 Infrastructure investments and services supported	✓	110-116, 119, 125-131
203-2 Significant indirect economic impacts	✓	110-116, 119
<b>GRI 204 Procurement Practices 2016</b>		
204-1 Proportion of spending on local suppliers	✓	110-116, 119
<b>GRI 205 Anti-corruption 2016</b>		
205-1 Operations assessed for risks related to corruption	✓	14, 16, Annual Report pages 146-149
205-2 Communication and training about anti-corruption policies and procedures	✓	14, 16, Annual Report pages 146-149
205-3 Confirmed incidents of corruption and actions taken	✓	14, 16, Annual Report pages 146-149
<b>GRI 206 Anti-competitive Behavior 2016</b>		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	✗	The Company recorded no violations related to monopoly, anti-trust, or anti-competitive behavior in 2025.
<b>GRI 207 Tax 2019</b>		
207-1 Approach to tax	✓	122

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
207-2 Tax governance, control and risk management	✓	122, Annual Report pages 189, 195
207-3 Stakeholder engagement and management of concerns related to tax	✓	122, Annual Report pages 140
207-4 Country-by-country reporting	✓	122, Annual Report pages 136-137
<b>GRI 301 Materials 2016</b>		
301-1 Materials used by weight or volume	✗	No relevant information is disclosed in this report.
301-2 Recycled input materials used	✓	57-65
301-3 Reclaimed products and their packaging materials	✓	58, 64
<b>GRI 302 Energy 2016</b>		
302-1 Energy consumption within the organization	✓	51-53, 138
302-2 Energy consumption outside of the organization	✗	<b>Information incomplete</b> The Company is currently in the process of collecting and calculating the relevant data. At present, the data set is extensive and complex due to the involvement of numerous suppliers, products, and categories. As a result, the information could not be fully processed for the 2025 reporting year and is expected to be completed in subsequent reporting periods.
302-3 Energy intensity	✓	138
302-4 Reduction of energy consumption	✓	36, 51-53, 62, 138
302-5 Reductions in energy requirements of products and services	✓	36, 51-53, 62, 138

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 303 Water and Effluents 2018</b>		
303-1 Interactions with water as a shared resource	✓	81-88, 139
303-2 Management of water discharge-related impacts	✓	81-88, 139
303-3 Water withdrawal	✓	81-88, 139
303-4 Water discharge	✓	62, 139
303-5 Water consumption	✓	81-88, 139
<b>GRI 305 Emissions 2016</b>		
305-1 305-1 Direct (Scope 1) GHG emissions	✓	48-53, 139-141
305-2 305-2 Energy indirect (Scope 2) GHG emissions	✓	48-53, 139-141
305-3 305-3 Other indirect (Scope 3) GHG emissions	✗	<b>Information incomplete</b> Vinamilk is implementing the collection, standardization, and calculation of Scope 3 emissions data. We expect to disclose the Scope 3 figures next year, once the data quality assurance process has been completed.
305-4 305-4 GHG emissions intensity	✓	48-53, 139-141
305-5 305-5 Reduction of GHG emissions	✓	48-53, 139-141
305-6 305-6 Emissions of ozone-depleting substances (ODS)	✗	<b>Information incomplete</b> ODS data is currently being collected, standardized, and calculated. The information is expected to be supplemented in the following year.

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
305-7 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	✗	<b>Not applicable</b> Under current legal requirements, the Company is not classified as an emitter that poses a risk of environmental pollution and is therefore not required to conduct automatic, continuous emissions monitoring. Accordingly, Vinamilk does not have daily automatic monitoring data for these parameters, and these are considered the Company's insignificant emission indicators.
<b>GRI 306 Waste 2020</b>		
306-1 Waste generation and significant waste-related impacts	✓	56-65, 139
306-2 Management of significant waste-related impacts	✓	56-65, 139
306-3 Waste generated	✓	56-65, 139
306-4 Waste diverted from disposal	✓	56-65, 139
306-5 Waste directed to disposal	✓	56-65, 139
<b>GRI 308 Supplier Environmental Assessment 2016</b>		
308-1 New suppliers that were screened using environmental criteria	✓	19, 26, 121, Annual Report pages 140, 145
308-2 Negative environmental impacts in the supply chain and actions taken	✓	19, 26, 121, Annual Report pages 140, 145

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 401 Employment 2016</b>		
401-1 New employee hires and employee turnover	✓	97, 103
401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	✓	97, 107, 108
401-3 Parental leave	✓	97, 108
<b>GRI 402 Labor/Management Relations 2016</b>		
402-1 Minimum notice periods regarding operational changes	✓	101
<b>GRI 403 Occupational Health and Safety 2018</b>		
403-1 Occupational health and safety management system	✓	95, 100
403-2 Hazard identification, risk assessment, and incident investigation	✓	95, 100
403-3 Occupational health services	✓	95, 100
403-4 Worker participation, consultation, and communication on occupational health and safety	✓	95, 100
403-5 Worker training on occupational health and safety	✓	95, 100, 143
403-6 Promotion of worker health	✓	95, 100, 107, 108
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	✓	95, 100, 107, 108
403-8 Workers covered by an occupational health and safety management system	✓	100, 142

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
403-9 Work-related injuries	✓	95, 143
403-10 Work-related ill health	✓	95, 143
<b>GRI 404 Training and Education 2016</b>		
404-1 Average hours of training per year per employee	✓	103, 143
404-2 Programs for upgrading employee skills and transition assistance programs	✓	96, 102-104
404-3 Percentage of employees receiving regular performance and career development reviews	✓	103
<b>GRI 405 Diversity and Equal Opportunity 2016</b>		
405-1 Diversity of governance bodies and employees	✓	95, 98
405-2 Ratio of basic salary and remuneration of women to men	✓	95, 98, 105-106
<b>GRI 406 Non-discrimination 2016</b>		
406-1 Incidents of discrimination and corrective actions taken	✓	95
<b>GRI 407 Freedom of Association and Collective Bargaining 2016</b>		
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	✓	96, 101
<b>GRI 408 Child Labor 2016</b>		
408-1 Operations and suppliers at significant risk for incidents of child labor	✓	95, 98

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 409 Forced or Compulsory Labor 2016</b>		
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor requirements	✓	95, 98
<b>GRI 410 Security Practices 2016</b>		
410-1 Security personnel trained in human rights policies or procedures	✗	No relevant information is disclosed in this report.
<b>GRI 411 Rights of Indigenous Peoples 2016</b>		
411-1 Incidents of violations involving rights of indigenous peoples	✗	No relevant information is disclosed in this report.
<b>GRI 413 Local Communities 2016</b>		
413-1 Operations with local community engagement, impact assessments, and development programs	✓	111-116, 128-131
413-2 Operations with significant actual and potential negative impacts on local communities	✗	<b>Not applicable</b> Vinamilk complies with Vietnamese environmental protection laws and recorded no violations during the reporting period. As a result, negative environmental impacts on local communities are considered insignificant. From an economic perspective, Vinamilk actively supports and facilitates local economic development. Therefore, no relevant information is disclosed.

GRI standard and disclosures	Sustainable Development Report 2025	Response (Page, explanation)
<b>GRI 414 Supplier Social Assessment 2016</b>		
414-1 New suppliers that were screened using social criteria	✓	19, 26, 121, Annual Report pages 140, 145
414-2 Negative social impacts in the supply chain and actions taken	✓	19, 26, 121, Annual Report pages 140, 145
<b>GRI 415 Public Policy 2016</b>		
415-1 Political contributions	✗	No relevant information is disclosed in this report.
<b>GRI 416 Customer Health and Safety 2016</b>		
416-1 Assessment of the health and safety impacts of product and service categories	✓	29-45
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	✓	45
<b>GRI 417 Marketing and Labeling 2016</b>		
417-1 Requirements for product and service information and labeling	✓	41, 45
417-2 Incidents of non-compliance concerning product and service information and labeling	✓	45
417-3 Incidents of non-compliance concerning marketing communications	✓	45
<b>GRI 418 Customer Privacy 2016</b>		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	✓	44-45

## Contact address

### HEADQUARTERS

10 Tan Trao Street, Tan My Ward, Ho Chi Minh City

## Sales branches

### VIETNAM DAIRY JOINT STOCK COMPANY'S BRANCH IN HANOI

11th Floor, Tower B, Handi Resco Building, 521 Kim Ma, Giang Vo Ward, Hanoi City

### VIETNAM DAIRY JOINT STOCK COMPANY'S BRANCH IN DA NANG

7th Floor, Post Office Building, 271 Nguyen Van Linh, Thanh Khe Ward, Da Nang City

### VIETNAM DAIRY JOINT STOCK COMPANY'S BRANCH IN CAN THO

77-77B Vo Van Tan Street, Ninh Kieu Ward, Can Tho City

## Dependent units

### CAN THO DAIRY FACTORY

Tra Noc Industrial Park, Thoi An Dong Ward, Can Tho City

### TRUONG THO DAIRY FACTORY

32 Dang Van Bi, Thu Duc Ward, Ho Chi Minh City

### VIETNAM BEVERAGE FACTORY

Lot A (A\_9\_CN and A\_2\_CN) NA7 Street, My Phuoc 2 Industrial Park, Ben Cat Ward, Ho Chi Minh City.

### DA NANG DAIRY FACTORY

Lot Q, Hoa Khanh Industrial Park, Lien Chieu Ward, Da Nang City

### SAIGON DAIRY FACTORY

Lot 1-18, Zone G1- Tan Thoi Hiep Industrial Park, Huong Highway 80, Tan Thoi Hiep Ward, Ho Chi Minh City

### NGHE AN DAIRY FACTORY

Sao Nam Street, Cua Lo Ward, Nghe An Province

### THONG NHAT DAIRY FACTORY

12 Dang Van Bi, Thu Duc Ward, Ho Chi Minh City

### DIELAC DAIRY FACTORY

Bien Hoa 1 Industrial Park, Tran Bien Ward, Dong Nai Province

### LAM SON DAIRY FACTORY

Le Mon Industrial Park, Quang Phu Ward, Thanh Hoa Province

### VIETNAM DAIRY FACTORY

Lot A-4,5,6,7-CN, NA7 Street, My Phuoc 2 Industrial Park, Ben Cat Ward, Ho Chi Minh City

### VIETNAM POWDERED MILK FACTORY

No. 9, Tu Do Boulevard, Vietnam - Singapore 1 Industrial Park, Binh Hoa Ward, Ho Chi Minh City

## TIEN SON DAIRY FACTORY

Tien Son Industrial Park, Dai Dong Commune, Bac Ninh Province.

## BINH DINH DAIRY FACTORY

87 Hoang Van Thu Street, Quy Nhon Nam Ward, Gia Lai Province

## AN KHANG CLINIC

184-186-188 Nguyen Dinh Chieu, Xuan Hoa Ward, Ho Chi Minh City

## HO CHI MINH LOGISTICS ENTERPRISE

32 Dang Van Bi, Thu Duc Ward, Ho Chi Minh City

## HANOI LOGISTICS ENTERPRISE

Km 10, National Highway 5, Gia Lam Commune, Hanoi City

## CU CHI RAW MILK CENTER

Lot B14-1-B14-2, D4 Street, Dong Nam Industrial Park, Binh My Commune, Ho Chi Minh City

# Domestic subsidiaries, associates

## VIETNAM LIVESTOCK CORPORATION - JOINT STOCK COMPANY

519 Minh Khai, Vinh Tuy Ward, Hanoi

## VIETNAM SUGAR JOINT STOCK COMPANY

Thuy Xuong Hamlet, Suoi Hiep Commune, Khanh Hoa Province

## THONG NHAT THANH HOA DAIRY COW ONE MEMBER LIMITED COMPANY

Ward 1, Yen Phu Commune, Thanh Hoa Province

## ASIA COCONUT PROCESSING JOINT STOCK COMPANY

Giao Long Industrial Park, Phase II, Giao Long Commune, Vinh Long Province

## APIS JOINT STOCK COMPANY

No. 18A-18B, VSIP II-A, Street 27, Vietnam – Singapore Industrial Park II-A, Vinh Tan Ward, Ho Chi Minh City

## VIETNAM DAIRY COW ONE MEMBER LIMITED COMPANY

10 Tan Trao Street, Tan My Ward, Ho Chi Minh City

# Foreign subsidiaries, associates

## DRIFTWOOD DAIRY HOLDING CORPORATION

10724 Lower Azusa Intersection, El Monte, California 91734-1390, USA

## LAO-JAGRO DEVELOPMENT XIENGKHOANG CO., LTD.

Boungveng Village, Paek District, Xiengkhouang Province, Lao P.D.R.

## ANGKOR DAIRY PRODUCTS CO., LTD.

Lot P2-096 and P2-097, Phnom Penh Special Economic Zone (PPSEZ), National Highway 4, Khan Posenchey, Phnom Penh, Kingdom of Cambodia

## TAUPOMH LIMITED

108 Tuwharetoa, Po Box 740, Taupo 3351, New Zealand

# Vietnam Dairy Joint Stock Company



<b>Stock code</b>	VNM	<b>Email</b>	vinamilk@vinamilk.com.vn
<b>Vietnamese name</b>	Công ty Cổ phần Sữa Việt Nam	<b>Website</b>	<a href="https://www.vinamilk.com.vn/">https://www.vinamilk.com.vn/</a>
<b>Abbreviated name</b>	Vinamilk	<b>Charter capital</b>	20.899.554.450.000
<b>Tel</b>	(+84. 28) 54 155 555	<b>Head office</b>	10 Tân Trào, Phường Tân Mỹ, Thành phố Hồ Chí Minh, Việt Nam
<b>Fax</b>	(+84. 28) 54 161 226	<b>Enterprise Registration Certificate and Tax Code</b>	0300588569